opción

Revista de Antropología, Ciencias de la Comunicación y de la Información, Filosofía, Lingüística y Semiótica, Problemas del Desarrollo, la Ciencia y la Tecnología

Año 36, abril 2020 N° 91

Revista de Ciencias Humanas y Sociales

ISSN 1012-1587/ ISSNe: 2477-9385

Depósito Legal pp 198402ZU45

Universidad del Zulia

Facultad Experimental de Ciencias

Departamento de Ciencias Humanas

Maracaibo - Venezuela

Opción, Año 36, Regular No.91 (2020): 1555-1588
ISSN 1012-1587/ISSNe: 2477-9385

Relation between financial indicator and corporate governance to tax avoidance in Indonesia

Suparna Wijaya [1*]
[1]Polytechnic of State Finance STAN, Indonesia
Email: sprnwijaya@pknstan.ac.id

Muhammad Hasbiy [2]
[2]Polytechnic of State Finance STAN, Indonesia

Abstract

This study examined whether a relationship exists between key financial indicator and corporate governance toward tax avoidance in the manufacture industry in Indonesia. Results showed that cash flows from operations and debt dependency were related to tax avoidance. By contrast, noncurrent assets to noncurrent financing ratio exhibits, no relationship with tax avoidance. Audit committee and independent commissioner did not show the same results. On these bases, manufacture industry in Indonesia made use of debt to reduce taxable income while still followed the debt to equity ratio. Besides, companies held their operating cash flow in order implemented tax avoidance.

Keywords: Tax avoidance; Key financial indicator; Corporate governance; Manufacture industry

Recibido: 20-12-2019 •Aceptado: 20-02-2020

Relación entre el indicador financiero y el gobierno corporativo para evadir el impuesto en Indonesia

Resumen

Este estudio examinó si existe una relación entre el indicador financiero clave y el gobierno corporativo hacia la evasión fiscal en la industria manufacturera en Indonesia. Los resultados mostraron que los flujos de efectivo de las operaciones y la dependencia de la deuda estaban relacionados con la evasión fiscal. Por el contrario, la relación entre activos no corrientes y financiamiento no corriente no muestra relación con la evasión fiscal. El comité de auditoría y el comisionado independiente no mostraron los mismos resultados. Sobre estas bases, la industria manufacturera en Indonesia hizo uso de la deuda para reducir los ingresos imponibles mientras seguía la relación deuda / capital. Además, las compañías mantuvieron su flujo de caja operativo para implementar la evasión fiscal.

Palabras clave: Evasión de impuestos; Indicador financiero clave, Gobierno corporativo; Industria manufacturera.

1. INTRODUCTION

Tax defined as a compulsory contribution to the state owed by an individual or an entity that is compelling based on the law, by not getting compensation directly and used for the greatest benefit of the people. The acceptance of the largest country must be optimally increased so that the rate of growth of the country and the implementation of development can run well (DEWI and JATI, 2014).

APBN posture for 2019 targets state revenues of Rp 1,786.4 trillion. Revenue from taxation is expected to cover 82.5% or Rp1,424. The government makes revenue from the taxation sector the main indicator of the source of state revenue (SUPRAMONO, 2005).

Unfortunately, the tax revenues are still not enough to meet the state revenue target. During 2014 until 2018, the Directorate General of Taxes (DJP) is only able to collect an average of 87.44% of the revenue. Insufficient tax collected is also illustrated by a lower tax ratio. The katadata.co.id website mentions Indonesia's 2018 tax ratio of 12,7% of Gross Domestic Product (GDP), relatively lower than the tax ratio of Australia and South Africa which reached 27%. Compared to countries in the Southeast Asia, Indonesia's tax ratio is even lower than Laos. Reporting from idnfinancials.com and indonesia-investment.com, Indonesia's tax ratio can reach 15%. The National Development Planning Agency (BAPPENAS) in the 2015-2019 National Medium-Term Development Plan (RPJMN) stated that the president had promised to increase the tax to GDP ratio to 16% by 2019. The tax ratio describes the condition of taxation in a nation. Great tax ratio indicates the high compliance of taxpayers in implementing tax rights and obligations in the country.

Tax avoidance carried out by taxpayers in Indonesia is one of reason of tax ratio insufficiency (DARMAWAN and SUKARTHA, 2014). At least a quarter of the companies have been tax evasion by paying less than 20 percent in United States of America even though the average tax rates of the company 30 percent (DYRENG et al., 2008). Tax avoidance occurs due to difference of taxes in companies and nation views. As the nation, tax is one of the important sources of revenue used to finance state expenditure. Meanwhile, companies consider tax as a burden in the financial statements (DYRENG et al., 2008). Management seeks to take advantage of gaps in tax regulations to significantly reduce taxes (KILLALY, 2009).

Tax avoidance defined as an ability to pay a low amount of tax compared to pre-tax profits on the company through a series of management actions to reduce income tax through tax planning activities (DYRENG et al., 2008; CHEN et al., 2010; FRANK et al., 2009; TAYLOR and RICHARDSON, 2013). These activities are carried out to minimize corporate tax obligations (KHURANA and MOSER, 2009). Therefore, it can be said that tax avoidance is an action taken by taxpayers in an effort to efficiency the tax burden but is still within the boundaries of the taxation regulations. Reporting from detik.com, in 2012 there were 4.000 PMA companies reporting SPT without payment of tax (nihil) because the company suffered fiscal losses for seven consecutive years. The company is mostly engaged in manufacturing and processing raw materials (ASTUTI and ARYANI, 2016).

Some previous studies found that there are several factors can trigger the tendency of tax avoidance (DYRENG et al., 2008). Some financing ratio of company related to tax avoidance such as return on assets, company size, inventory intensity, capital intensity, etc. Furthermore, there are several studies that examine the relationship between key financial indicators for tax avoidance. KIM and JANG (2018) found that the construction waste disposal industry in Korea which has a high operating cash flow tends to do tax avoidance. Besides, companies with non-current assets-to-current financing ratios have the potential to carry out tax avoidance. Debt dependency as the third indicator of key financial indicators does not have a significant effect on tax avoidance. However, the high amount of debt causes the emergence of interest expense that must be paid by the company. This interest expense is a deductible expense, which can be deducted from gross income in order to calculate the corporate tax income based on article 6 paragraph 1 of UU NOMOR 36 TAHUN 2008 (POHAN, 2013). The interest expense can reduce the tax paid by company (DARMAWAN and SUKARTHA, 2014).

Some researchers have examined the effect of good governance on tax avoidance practices. DESAI and DHARMAPALA (2006) consider the relationship between corporate governance and tax aggressiveness within the agency theory framework. The role of share owned by the effect of government on corporate tax aggressiveness (HANLON and HEITZMAN, 2010). This factor has affected tax management and has been proven in research in China (CHAN et al., 2013). Some researchers also sought the relationship between the variables of corporate governance on tax avoidance in Indonesia. The number of audit committees in a company results tax avoidance (AGUSTIA, 2013).

ANNISA and KURNIASIH (2012) found that the audit committee and audit quality proved to have a significant effect on tax avoidance. The audit quality, which indicated by the Big Four affiliated Public Accountants Office (PriceWaterhouseCooper - PWC, Deloitte, Touche Tohmatsu, KPMG, and Ernst & Young - E & Y). SARI (2014) and EKSANDY (2017) show that the greater number of independent commissioners, the greater the influence to supervise management performance (SARI, 2014). The amount of supervision makes management more careful in making decisions and keep the company transparency so that tax avoidance can be minimized (EKSANDY, 2017).

Company consist of a nexus of contract between the principal as the owner of the resource and the agent as the manager as the controller of these resources (JENSEN and MECKLING, 1976). The relationship between the principal and the agent can inflict information asymmetry, namely a condition where one party has more information than the other party. Agents do not always make decisions that aim to fulfill the interests of principals because everyone wants to maximize personal advantage.

JENSEN and MECKLING (1976) state that there are costs needed to harmonize the interests of principals and agents named agency costs. Agency cost consists of monitoring costs (costs required by principals to monitor and control agent behavior), bonding costs (used in order to bind agents' expenses to ensure agents do not harm principals, and residual costs (the reduction of principal wealth due to differences between decisions managers and decisions that are supposed to maximize the wealth of principals). Agency costs used to ensure managers for not taking such a risky actions that can harm the principal, including tax avoidance. In addition, agency cost can arise when managers use asymetric information so that managers' decisions shift and no longer try to maximize owner's wealth.

The self-assessment tax system in Indonesia requires taxpayers to calculate, pay, and report their own taxes. Implementation of self-assessmen can change awareness of citizens to pay taxes voluntarily (SUPADMI, 2009). On the other hand, self-assessment opens opportunities for taxpayer to reduce the amount of tax that must be paid by reducing company costs including the tax burden (ASTUTI and ARYANI, 2016). Tax avoidance is defined as an action aimed at reducing taxable income through tax planning (FRANK et al., 2009). SARTORI (2010) describes tax avoidance as all illegitimate (but not necessarily illegal) behavior with the aim of reducing taxes that do not violate the law, but clearly violate the spirit of the law. CHEN et al. (2010) in his research stated that tax avoidance is included in legal tax planning activities or activities that can lead to illegal gray areas. DYRENG et al. (2008) state that companies benefit from regulatory loopholes to avoid taxes and get tax benefits.

2. METHODOLOGY

This study uses purposive sampling, which is the random selection of samples with predetermined criteria. Based on data from the IDX, there were 144 companies registered until December 31, 2017. Furthermore, there were 49 companies eliminated due to IPOs after January 1, 2013 and/or delisting before December 31, 2017. A total of 31 companies with negative net income in one or more years of sample are omitted from the sample because they can make DTAX values biased. Finally, there are 6 companies have incomplete financial statements, so there are 58 companies remaining for 4 years of research (2014.d. 2017). So that this study uses 232 observations as the sample.

The tax avoidance proxy used by the author is discretionary permanent differences (DTAX) as formulated by FRANK, LYNCH, and REGO (2009) and has been adapted to conditions in Indonesia based on RACHMAWATI and MARTANI (2017). The selection of this proxy is due to Frank's research, LYNCH and REGO (2009) stating that this proxy is better than previous proxies such as ETR, cash ETR, and Book-Tax Differences. The formula used to calculate DTAX values is as follows:

$$PERMDIFFit = \alpha_0 + \alpha_1 INTANGit + \alpha_2 \Delta NOLit + \alpha_3 LAGPERMit + \varepsilon it \ldots \quad 1)$$

PERMDIFFit = total book-tax difference [(book profit before tax-tax expense)/tax rate] - temporary book-tax differences [deferred tax expense / tax rate] divided by previous year total assets]

INTANGit= the amount of goodwill and other intangible assets divided by previous year totalassets

ΔNOLit = change in net operating loss carry forwards divided by previous year total assets

LAGPERMit = previous year PERMDIFF

εit = discretionary permanent differences.

The residual value of the equation is a proxy for tax avoidance, namely discretionary permanent differences (DTAX). Based on the hypotheses built on the theories and variables mentioned in the previous section, the research model is stated as follows:

$$DTAX_{it} = \alpha_0 + \beta_1 CFO_{it} + \beta_2 NCFIN_{it} + \beta_3 DEBTDP_{it} + \beta_4 KOMDIT_{it} + \beta_5 DK_{it} + \beta_6 INDE_{it} + \beta_7 AUDIT_{it} + \beta_8 POLCON_{it} + \beta_9 SIZE_{it} + \beta_{10} ROA_{it} + \beta_{11} TA_{it} + \beta_{12} PPE_{it} + \beta_{13} \Sigma YEAR_{it} + \varepsilon it \ldots \quad (2)$$

Dependent Variable

DTAX = Tax avoidance

Independent Variables

CFO = Operating Cash flow divided by total assets at the beginning of the year

NCFIN = Noncurrent assets divided by noncurrent liabilities and shareholder equities

DEBTDP = the ratio of total debt to liabilities and shareholder equities

KOMDIT= Number of audit committees at the end of reporting date

DK= Number of board of Commissioners at the end of reporting date

INDE= the proportion of independent commissioners to the total board of Commissioners

POLCON=the number of shares owned by the government against the total outstanding shares

AUDIT= Dummy variable- value 1 is given for companies audited by the Big Four affiliated Public Accounting Firm and 0 for those audited by auditor not affiliated Big Four Public Accounting Firm

Control Variables

SIZE= Logarithm of beginning year total assets

ROA= *Return on Total Asset* - net income divided by total beginning assets

TA= Previous year's net income deducted from the operating cash flow divided by beginning total assets

PPE= *Property, Plant, and Equipment* divided by beginning total aset

ΣYEAR= *Dummy Variable* – the year according to the observation is given a value of 1, a value of 0 for the year which is not the same as the year of observation.

t = Year (2014 s.d. 2017)

3. RESULTS and DISCUSSION

3.1. Descriptive Statistics and Regression

The analysis used in descriptive statistics consists of average (mean), middle value (median) and most occurring value. In addition, there is a dispersion measure of the data used in this study, consist of the highest value, (max), the lowest value (min), and the standard size deviation (std.dev) which describes how close the individual data points are to the mean. Descriptive summary of all variables is presented in Table 1, while regression results (simultaneously and partially), coefficient of determination, and Variance Inflation Factors (VIF) presented in Table 2.

Variable Name	Mean	Median	Maximum	Minimum	Std. Dev.	Modus
DTAXINV	0.0159485	0.0003180	1.0012091	-0.6377861	0.1905042	None
CFO	0.1094018	0.0884662	0.5942677	-0.1861074	0.1177737	None
NCFIN	0.6539775	0.6073472	2.6503131	0.1117810	0.3308064	None
DEBTDP	0.3890245	0.3697183	0.8637718	0.0691752	0.1832545	None
KOMDIT	3.0689655	3	4	2	0.3007678	3
AUDIT	0.3922414	0	1	0	0.4893057	0
DK	4.2672414	3	12	2	2.0251995	3
INDE	0.3978084	0.3333333	0.8	0.1666667	0.1062312	0.333333
OPINI	0.2672414	0	1	0	0.4434762	0
POLCON	0.0259636	0	0.7624	0	0.1218062	0
SIZE	28.2992628	28.0027822	33.1988120	25.6194831	1.6043660	None
ROA	0.1003600	0.0758290	0.5811186	0.0003920	0.0962050	None
TA	-0.0003239	-0.0097676	0.5843001	-0.2010245	0.0736132	None
PP&E	4.1925848	0.3676863	879.9717485	0.0301491	57.7469969	None
YEAR	0.2500000	0.0000000	1.0000000	0.0000000	0.4339489	0

Table 1: Descriptive Statistics of Major Variables

Variable Name	*Coef.*	*Prob.*	α	Hypothesis Selected	VIF
CFO	0,343498	0,0009	0,05	H_{a1}	3.329632
NCFIN	-0,008460	0,8624	0,05	H_0	1.894204
DEBTDP	0,167533	0,0031	0,05	H_{a3}	1.834034
KOMDIT	-0,022800	0,4669	0,05	H_0	1.232129
DK	0,014456	0,0001	0,05	H_{a5}	2.125169
INDE	-0,066281	0,3327	0,05	H_0	1.360521
AUDIT	-0,065763	0,0020	0,05	H_{a7}	2.029578
POLCON	-0,187379	0,0000	0,05	H_{a8}	1.358578
Prob (F-Statistic)			0,0000		
R2			44.15%		
Adj R2			40.27%		

Table 2: Variable Regression Results on Tax Avoidance

3.2. Effects of Operating Cash Flow on Tax Avoidance

This study proves that cash flows from operating activities affect tax avoidance. When a company has a cash flow value from operating activities, it opens the opportunity for the company to carry out tax avoidance. This hypothesis in line with research conducted by KIM and JANG (2018) in Korea. The study used 253 observations. Cash flow in operating activities affects tax avoidance, which is peroxided by Book Tax Differences (BTD). Companies with high cash flows from operating activities have a tendency to do tax avoidance.

Several researchers in Indonesia have concluded that there is a relation between cash flows on tax avoidance. PURWANTI (2004) uses operating cash flow as one of the variables in the study. The sample used is a manufacturing company registered in Indonesia in 2008 d. 2010. The study uses Discretionary Accruals (DACC) as the proxy of tax avoidance. The proof of this hypothesis can be explained by the cash holding theory. HANLON and MAYDEW (2012) mention several motives for a company holding cash. Companies may hold cash to avoid costs that arise if the company wants to convert non-cash assets into cash as well as mitigation in the face of possible non-conducive market situations. In addition, according to agency theory, managers prefer to hold cash for their own purposes (JENSEN and JENSEN in HARDIANTO et al., 2017) rather than paying for other purposes such as paying taxes. Companies as much as possible hold transactions if the transaction is related to taxes, so that company-owned cash accumulates (FOLEY et al., 2007).

3.3. Effects of Noncurrent Assets-to-noncurrent Financing Ratio on Tax Avoidance

NCFIN significance value of 0.8426 proves noncurrent asset-to-current financing ratio does not affect tax avoidance. This result is contrary to KIM and JANG'S (2018) tax avoidance proxy used in Kim and Jang's research is Book-Tax Difference. The results of this study are similar to the research conducted by ADISAMARTHA and NOVIARI (2015) by using a company listed on the IDX in 2011 until 2014. In this study, it was explained that the use of fixed assets was able to improve company operations and increase net income higher than the depreciation burden charged to non-current assets.

The availability of non-current assets cannot assure the affection of corporate tax avoidance. One of the reasons is the intention of companies that really want to use non-lancet assets solely for the benefit of the company. This result is in accordance with the results of the study of CHIOU et al. (2012). The company does not intentionally save a large proportion of assets to avoid taxes but the company does use these fixed assets for the company's operational purposes so that the proportion of high fixed assets will not affect the level of aggressiveness that the company will do.

Government of Indonesia issued UU NOMOR 11 TAHUN 2016 concerning Tax Amnesty. The government, through the Directorate General of Taxes, appealed to taxpayers to be able to take advantage of these facilities. Tax amnesty is the elimination of taxes that should be owed, not subject to tax administration sanctions and criminal sanctions in the field of taxation, by disclosing assets and paying some compensation fund state. Taxpayers who want to join the program must disclose assets that are and/or placed within the territory of the Republic of Indonesia for a minimum period of 3 (three) years after the letter submitted.

4. CONCLUSION

Adjusted R^2 value that show 0.4027 means that the research model can explain tax avoidance by 40.27 percent. While the remaining 50.73 percent is explained by other variables other than those used in the study. This research still has some limitation; therefore, some development is needed for further research. Extending the year of research not only 2014 to 2017. Besides, further research can expand the object of research not only limited to the manufacturing sector in order to better describe tax avoidance in Indonesia.

Research hereinafter can also consider insert samples that have negative net income. In addition, further research can use other proxies specifically to measure tax avoidance, educational background of audit committees, board of commissioners, and independent commissioners, financial statement opinions, and share ownership (eg proportion of majority shares, family ownership, institutional ownership, etc.).

This study shows that cash flows from operating activities and debt dependencies have an influence on tax avoidance. Thus, the government may consider making provisions regarding the limits of cash flows from operating activities that are permitted to be retained.

The Ministry of Finance needs to review the limit of the debt to capital ratio that has been set. The Minister of Finance Regulation Number 169/PMK.010/2015 that state a debt to equity ratio threshold of at most 4:1 (which means that companies can only make debt as high as 80 percent of total funding). Most observations have obeyed the regulation, but the results of the study still show the influence of the level of debt dependency (debt dependency) on tax avoidance.

Financial Services Authority (OJK) should further regulate the proportion of independent commissioners to the total board of Commissioners because the portion of independent commissioners is still a minority in most of observations. In addition, OJK should also considered to regulate the minimum educational background needed by someone to be appointed as an independent commissioner so that those selected at least understand the business processes that the company is undergoing.

Tax auditors can utilize the results of this study in order to create a taxpayer risk profile. Companies with high cash flows from operating activities and/or companies that have high debt dependence can be used as additional criteria in selecting taxpayers who are audited. On the other hand, the Account Representative at the Tax Office can consider using financial ratios and financial indicator keys as a trigger to look for taxpayers with financial performance anomalies compared to similar companies

REFERENCES

ADISAMARTHA, I. B. P. F., & NOVIARI, N. 2015. "The Effect of Liquidity, Leverage, Inventory Intensity and Intensity of Fixed Assets on the Level of Aggressiveness of Corporate Taxpayers (In Indonesian)". **E-Journal of Accounting**, 973-1000.

AGUSTIA, D. 2013. "The Influence of Good Corporate Governance, Free Cash Flow, and Leverage Factors on Earnings Management (In Indonesian)". **Journal of Accounting and Finance**, 15(1), 27-42.

ANNISA, N. A., & KURNIASIH, L. 2012. "The Influence of Corporate Governance on Tax Avoidance (In Indonesian)". **Journal of Accounting & Auditing**, 8(2), 95-189.

ASTUTI, T. P., & ARYANI, Y. A. 2016. "Tax Avoidance Trends of Manufacturing Companies in Indonesia Registered on the Indonesia Stock Exchange 2001-2014 (In Indonesian)". **Tarumanagara University Journal of Accounting**, 20(3).

BAPPENAS. 2015. **Medium Term National Development Plan (RPJMN) 2015-2019.** (Rencana Pembangunan JangkaMenengah Nasional (RPJMN) 2015-2019).

CHAN, K. H., MO, P. L., & ZHOU, A. Y. 2013. "Government ownership, corporate governance and tax aggressiveness: evidence from China". **Accounting & Finance**, 53(4), 1029-1051.

CHEN, S., CHEN, X., CHENG, Q., & SHEVLIN, T. 2010. "Are Family Firms More Tax Aggressive Than Non-Family Firms?" **Journal of Financial Economics**, 95(1), 41-61.

CHIOU, Y. C., HSIEH, Y. C., & LIN, W. 2012. "Determinants of Effect Tax Rates for Firms Listed on China's Stock Markets: Panel Models with Two-Sided Censors". **The Business & Management Review**, 3(1), 306.

DARMAWAN, I. G. H., & SUKARTHA, I. M. 2014. "Effect of Application of Corporate Governance, Leverage, ROA, and Company Size on Tax Avoidance (In Indonesian)". **E-Journal of Accounting**, 143-161.

DESAI, MIHIR A., DAN DHAMMIKA, D. 2006. "Corporate Tax Avoidance and High-Powered Incentives". **Journal of Financial Economics** 79, no.1: 145–179.

DEWI, N. N. K., & JATI, I. K. 2014. "The Influence of Executive Character, Company Characteristics, and Dimensions of Good Corporate Governance on tax Avoidance on the Indonesian Stock Exchange (In Indonesian)". **E-Journal of Accounting**, 249-260.

DYRENG, S. D., HANLON, M., & MAYDEW, E. L. 2008. "Long-run Corporate Tax Avoidance". **The Accounting Review**, 83(1), 61-82.

EKSANDY, A. 2017. "The Influence of Independent Commissioners, Audit Committees, and Audit Quality on Tax Avoidance (Empirical Study of the Consumer Goods Industry Sector Listed on the Indonesia Stock Exchange Period 2010-2014) (In Indonesian)". **Competitive Journal of Accounting and Finance**, 1(1), 1-20.

FOLEY, C. F., HARTZELL, J. C., TITMAN, S., & TWITE, G. 2007. "Why Do Firms Hold So Much Cash? The University of Texas at Austin The University of Texas at Austin and NBER Why Do Firms Hold So Much Cash? A Tax-Based Explanation". **Technology**, 512.

FRANK, M. M., LYNCH, L. J., & REGO, S. O. 2009. "Tax Reporting Aggressiveness and Its Relation to Aggressive Financial Reporting". **The Accounting Review**, 84(2), 467-496.

HANLON, M., & HEITZMAN, S. 2010. "A Review of Tax Research". **Journal of Accounting and Economics**, 50(2-3), 127-178.

HANLON, M., MAYDEW, E. L., & SAAVEDRA, D. 2012. **Understanding Why Firms Hold so Much Cash: A Tax Risk Explanation.** In 2013 American Taxation Association Midyear Meeting: Uncertain Tax Positions.

HARDIANTO, Y. T., KUSTIANI, N. A., & RAMADHAN, M. R. 2017. **The Effect of Tax Avoidance Risk on Cash Holding Policy Companies in Indonesia.** Sustainable Competitive Advantage (SCA), 7(1).

JENSEN, M. C., & MECKLING, W. H. 1976. "Theory of the Firm: Managerial Behavior, Agency Costs and Ownership Structure". **Journal of Financial Economics**, 3(4), 305-360.

KHURANA, I. K., & MOSER, W. J. 2009. **Shareholder Investment Horizons and Tax Aggressiveness.** Available at SSRN 1517913. Killaly, J. (2009, May). Assisting Compliance and Managing Task Risks in the Large Market: Understanding ATO Approaches and Perspectives. In Fifth Annual Corporate Tax Forum, Sydney, available at: www. ato. gov. au/corporate/content. Asp.

KIM, W. J., & JANG, G. B. 2018. "Relationship between Tax Avoidance and Key Financial Indicators in Korea's Construction Waste Disposal Industry". **Academy of Accounting & Financial** Studies Journal, 22(3).

POHAN, H. T. 2008. **The influence of good corporate governance, tobin'sq ratio, income modifier on tax avoidance in public companies (In Indonesian).** Financial Accounting.

RACHMAWATI, N. A., & MARTANI, D. 2017. "Book-Tax Conformity Level on the Relationship between Tax Reporting Aggressiveness and Financial Reporting Aggressiveness". Australasian Accounting, **Business and Finance Journal,** 11(4), 86-101.

SARI, G. M. 2014. “The Effect of Corporate Governance, Company Size, Fiscal Loss Compensation and Ownership Structure on Tax Avoidance (Empirical Study of Manufacturing Companies Listed on the Indonesia Stock Exchange in 2008-2012) (In Indonesian)”. **Accounting Journal**, 2(3).

SARTORI, N. 2010. “Corporate Governance Dynamics and Tax Compliance”. **Int'l Trade & Bus. L. Rev**., 13, 264.

SUPADMI, N. L. 2009. “Increase Taxpayer Compliance through Service Quality (In Indonesian)”. **Scientific Journal of Accounting and Business**.

SUPRAMONO DAN THERESIA, W. D. 2005. **Indonesian Taxation Mechanisms and Calculations (In Indonesian).** Yogyakarta: Andi

TAYLOR, G., & RICHARDSON, G. 2013. “The Determinants of Thinly Capitalized Tax Avoidance Structures: Evidence from Australian Firms”. **Journal of International Accounting, Auditing and Taxation,** 22(1), 12-25.

Law No. 6 of 1983 as amended last byLaw No. 16 of 2009. **Concerning General Provisions and Tax Procedures.**

Law No. 7 of 1983 as amended last byLaw No. 36 of 2008. **Concerning Income Taxes.**

Regulation of the Minister of Finance of the Republic of Indonesia Number 169 / PMK.010 / 2015. **Concerning Determination of the Amount of Comparison between Debt and Corporate Capital for the Need for Income Tax Calculation.**

Financial Services Authority Regulation Number 33 / POJK.04 / 2014. **Concerning Directors and Board of Commissioners of Issuers or Public Companies.**

Financial Services Authority Circular Letter Number 32 / SEOJK. 04/2015. **Concerning Corporate Governance Guidelines Websites**

https://databoks.katadata.co.id/datapublish/2018/12/12/rasio-pajak-indonesiakalah-dibanding-dengan-negara-lainnya

https://databoks.katadata.co.id/datapublish/2018/11/26/di-tingkat-asean-rasio-pajak-indonesia-di-bawah-laos

https://www.idnfinancials.com/id/n/19195/IMF-Indonesia-Seharusnya-Punya-Tax-Ratio-15

https://www.indonesia-investments.com/news/todays-headlines/imf-sees-room-for-rising-tax-to-gdp-ratio-for-indonesia/item8577?

https://idx.co.id/perusahaan-tercatat/laporan-keuangan-dan-tahunan/

https://data.worldbank.org/indicator/GC.TAX.TOTL.GD.ZS?end=2016&locations=ID&start=2002&view=chart

http://www.pajak.go.id/article/memperbaiki-kinerja-tax-ratio-sebuah-pendekatan-makro

https://www.suara.com/bisnis/2017/11/30/190456/fitra-setiap-tahun-penghindaran-pajak-capai-rp110-triliun

https://www.suara.com/bisnis/2019/02/27/120025/18-perusahaan-sinar-mas-group-diduga-ngemplang-pajak-rp-400-miliar

https://finance.detik.com/berita-ekonomi-bisnis/d-2803808/4000-perusahaan-milik-asing-di-ri-tak-pernah-bayar-pajak

https://industri.kontan.co.id/news/tax-amnesty-diharapkan-dorong-industri-manufaktur

UNIVERSIDAD

DEL ZULIA

opción

Revista de Ciencias Humanas y Sociales

Año 36, N° 91, (2020)

Esta revista fue editada en formato digital por el personal de la Oficina de Publicaciones Científicas de la Facultad Experimental de Ciencias, Universidad del Zulia.
Maracaibo - Venezuela

www.luz.edu.ve

www.serbi.luz.edu.ve

produccioncientifica.luz.edu.ve