JASa (Jurnal Akuntansi, Audit dan Sistem Informasi Akuntansi)
Vol. 5 No.2/ August 2021
ISSN 2550-0732 print / ISSN 2655-8319 online
DOI;10.36555/ jasa.v5i2.1570

THE EFFECT OF FINANCIAL VARIABLES, CSR MANAGEMENT, AND COMPANY SIZE ON TAX AGGRESSIVITY

Muhammad Ridwan Yusuf[*1], Yuli Chomsatu Samrotun[2], Anita Wijayanti[3]
Islamic University Batik Surakarta, Indonesia[123]
muhammadridwanyusuf100@gmail.com[*1], you.lichoms@gmail.com[2],
Itax_solo@yahoo.com[3]

Abstract: This study describes how the influence caused by research variables such as profitability, inventory intensity, capital intensity, leverage, corporate social responsibility (CSR), audit committee size, company size, corporate governance, on tax aggressiveness. In this study, data will be taken from mining and industrial companies listed on the Indonesian Stock Exchange (IDX) within 3 years, starting from 2017 - 2019. The research test used in this study is multiple linear regression analysis, normality test, multicollinearity test, autocorrelation test, heteroscedasticity test. This study showed that the results of capital intensity and leverage affect tax aggressiveness, while profitability, inventory intensity, CSR, audit committee, company size, corporate governance do not affect tax aggressiveness.
Keywords: Audit Committee Size, Capital Intensit, Corporate Social Responsibility (CSR), Company Size, Corporate Governance, Inventory Intensity, Leverage, Profitability, Tax Aggressiveness.

INTRODUCTION

Taxes are activities to collect sources of funds and state revenues for the benefit of state development. Tax collection is an activity carried out to collect the tax owed on the taxpayer. The tax sector is the largest source of state revenue. According to Muktisari, about 80% of Indonesia's state budget comes from the tax sector, from it can be concluded that taxes are the main income that the government relies on upon because from this is the government is incessantly increasing tax revenue.

In carrying out tax collection in Indonesia using the basis of Law No.10 in 1994 which explains how to regulate the applicable tax collection method in Indonesia, where Indonesia uses the domicile principle and the source principle in one-time tax collection.

There are 3 types of tax collection systems in effect in Indonesia, namely: Self Assessment System, Official Assessment System, With Holding System. First Self Assessment System, Self Assessment System is a way for tax collection where the government imposes the amount of tax that must be paid by taxpayers independently. Second Official Assessment System, Official Assessment System is a tax collection system that provides tax decisions by taxpayers to tax authorities or tax officers as tax collectors. And the last is With Holding System, which is a tax collection system where the amount of tax to be paid by taxpayers is determined by a third party, not by the taxpayer itself.

The research carried out took examples from research conducted by (Midiastuty, Suranta, and Ramdhan 2017), (Guawan 2017), and research by (Andhari and Sukartha

Submitted: February 20, 2021; Accepted: February 22, 2021; Revised: July 22, 2021; Published: August 21, 2021; Website: http://journalfeb.unla.ac.id/index.php/jasa

JASa (Jurnal Akuntansi, Audit dan Sistem Informasi Akuntansi)
Vol. 5 No.2/ August 2021
ISSN 2550-0732 print / ISSN 2655-8319 online
DOI;10.36555/ jasa.v5i2.1570

2017). In this research, it has the title The Influence of Concentrated Ownership and Corporate Governance on Tax Aggressiveness, the Influence of Corporate Social Responsibility and Corporate Governance on Tax Aggressiveness, and the Effects of Disclosure of Corporate Social Responsibility, Profitability, Inventory Intensity, Capital Intensity, and Leverage on Tax Aggressiveness.

The formulation of the problem used in this study is what influence is caused by Corporate Social Responsibility, Inventory Intensity, Company Size, Audit Committee Size, Profitability, Capital Intensity, Leverage, Corporate Governance on Tax Aggressiveness.

The purpose of this research is to find out how (1) the effect of tax aggressiveness on profitability, (2) the effect of tax aggressiveness on inventory intensity, (3) the effect of tax aggressiveness on capital intensity, (4) the effect of tax aggressiveness on leverage, (5) the effect of tax aggressiveness on corporate social responsibility (CSR), (6) the effect of tax aggressiveness on the size of the audit committee, (7) the effect of tax aggressiveness on company size, (8) the effect of tax aggressiveness on corporate governance.

Signaling theory or it can also be called signaling theory is a theory that explains why a company has the desire to disseminate or tell how the company's financial statements are to external parties or investors. Encourage the company to provide information provided to outsiders to get asymmetrical information (inappropriate) from the company, while the company thinks that providing information to outsiders is to get better prospects from investors than creditors. One way for companies to reduce asymmetric information is by giving signals to outsiders, one of the information that is shared with outsiders is in the form of information on the company's financial statements.

According to (Brigham and F 2001) signal theory is useful for telling investors how management views the company's prospects. Furthermore, companies that have good company prospects will not sell shares of the company and try to find new capital using debt, while companies that have bad company prospects, will sell their shares. And this signal theory provides evidence of how the managers of an entity have an incentive voluntarily to report information on the capital market even in the absence of provisions.

Until now tax aggressiveness did not have a widely accepted definition. There is an opinion from (Frank, L, and Rego 2009) that companies doing tax aggressiveness can be done in two ways, namely legally (tax avoidance) or illegally (tax evasion). Meanwhile, according to (Sari and Dewi 2010), companies take certain actions in which the tax action will not be audited or legally audited, but this action has risks due to the lack of clarity in its position. The purpose of tax planning action is to minimize the level of tax that will be issued by the company. Tax aggressiveness is not only carried out by the company but is also carried out by the manager. This action taken by the manager is used to cover the manager's opportunistic actions in facilitating managerial rent extraction, which is an action to justify the manager's opportunistic behavior in earnings management and aggressive financial reporting. This action aims to cover up bad news about the company's finances and also mislead investors or lack transparency in running the company's operations.

According to (Watts and Zimmerman 1986) in the political cost, the hypothesis states that companies that have excessively high profits will attract interest from governments

JASa (Jurnal Akuntansi, Audit dan Sistem Informasi Akuntansi)
Vol. 5 No.2/ August 2021
ISSN 2550-0732 print / ISSN 2655-8319 online
DOI;10.36555/ jasa.v5i2.1570

and regulators which will result in government involvement and increase taxes on companies. This results in managers deciding to use their incentive funds to reduce or reduce the company's profits. Therefore, every company has a greater profit, which will result in managers having greater motivation for tax aggressiveness. Meanwhile, companies that have a better rate of return on assets will do more thorough tax planning so that it will produce a low tax value which results in a decrease in tax aggressiveness.
H_1: Profitability Effects Tax Aggressiveness.

Inventory is part of the company's current assets which functions for the company's long-term operational activities. Company intensity or inventory intensity is an activity that compares the total inventory to the company's total assets, while for companies that have assets in the warehouse, it will result in the formation of maintenance costs or inventory storage which results in increased company expenses which are reciprocal to a decrease in company profits. If the company has a high inventory level, it will result in a high tax burden, this method can be done by replacing the inventory for the next period with the company's profit for one period. This is where the role of positive accounting theory is needed, where the company will have an assumption that profit in the coming period will increase by investing in existing inventory. Research that is in line with this is the research proposed by (Haryadi 2012). **H_2**: Inventory Intensity Affects Tax Aggressiveness.

Capital intensity is used as an illustration of the amount of investment in the company's wealth in the form of fixed assets. According to PSAK 16 (revised 2015), fixed assets are intangible assets in the form of goods or services that are estimated to have a function for several years. Capital Intensity is usually used by companies to carry out production activities to get company profits. This investment will result in a depreciation expense for the company so that the company's profit will increase.

(Ardyansyah 2014) argue that companies that have large fixed assets will carry out better tax planning which results in a decrease in the tax aggressiveness indicator. Capital intensity is closely related to the fixed assets of a company which will result in the depreciation expense of the company, the fixed assets will increase, this will result in a decrease in profits so that corporate taxes will also decrease. This opinion is not in line with that expressed by (Novi 2015) where capital intensity has no effect on companies outside the financial sector, from the information above it can be concluded that there are two opposing opinions. **H_3**: Capital Intensity Affects Tax Aggressiveness.

Leverage can be interpreted as a reference for the company's ability to pay its obligations, both short and long term if the company goes bankrupt by using debt. The trade-off theory explains that a company can determine its maximum market value by setting a target of debt if the company can show an optimal capital structure in a way that debt balance can be accepted by shareholders and the cost of debt from debt lenders.

The company takes tax aggressiveness by making debt to creditors because debt is a fixed form and in the form of interest paid to creditors, this debt will result in the company's taxable profit decreasing. Interest is tax-deductible which results in a reduced corporate tax liability. (Richardson and Lanis 2007) argue that if the company has high debt, the ETR value will be lower, this shows that the company reduces the tax burden, meaning the company is engaging in tax aggressiveness. The lower corporate tax

JASa (Jurnal Akuntansi, Audit dan Sistem Informasi Akuntansi)
Vol. 5 No.2/ August 2021
ISSN 2550-0732 print / ISSN 2655-8319 online
DOI;10.36555/ jasa.v5i2.1570

burden is due to the higher leverage ratio value which results in a higher value of debt borne by the company (Kurniasih, Maria, and Ratna 2013). **H4**: Leverage Affects Tax Aggressiveness.

Corporate social responsibility is an activity carried out by companies that pay attention to economic, social, and environmental aspects around the company (Gunawan 2015). CSR activities are a form of company action to provide positive welfare for the community for the sustainability of the company.

Reporting on CSR activities can be used to evaluate companies in the practice of accountability, (Gunawan 2010). The reason companies take CSR actions is by taking social actions in the form of CSR so that it will provide benefits in the future, reporting on CSR activities can be done in two types of reporting, namely in the form of annual or separate reports, namely in sustainable reports consisting of economic, social, and the environment including company performance. The current CSR reporting guidelines were initiated by the Global Reporting Initiative (GRI). **H5**: CSR Affects Tax Aggressiveness.

In the (Badan Pengawas Pasar Modal dan Lembaga Keuangan 2012). The audit committee has to assist companies to comply with government regulations, especially in the tax field.

The existence of an audit committee is very useful in the company in handling inappropriate reporting by management, especially in the taxation sector (Annisa and Lulus 2012).

In the opinion expressed by (Sari and Dewi 2010), companies that are well-governed or good according to the government are companies that do not engage in tax aggressiveness, this can be measured using ETR rather than poorly-governed companies. In a company, if there are more members of the audit committee, the supervision will be better, so that the supervision of the audit committee will produce better information and can control in minimizing unilateral decision-making and tax aggressiveness (Annisa and Lulus 2012). **H6**: The Audit Committee Affects Tax Aggressiveness.

The theory of political power (political power theory) states that large companies tend to have the resources and governance to take political action in which these actions are taken to reduce the amount of tax burden received by companies. However, this cannot be done continuously because it will raise suspicion to regulators which will lead to political costs (political cost theory).

Every company that is large enough will have the ability to generate more stable company profits when compared to companies that are still small. Large companies usually tend to be more complex in reporting their transactions so that companies can take advantage of existing gaps in tax aggressiveness, and if a company is bigger it will have a lower ETR value (Richardson and Lanis 2007). From this, it can be concluded that companies that are more developed and have become more advanced companies will use the political process in reducing the tax burden so that the tax will be more optimal. **H7**: Company Size Affects Tax Aggressiveness.

Corporate governance is a goal carried out by companies with agent interests to manage the company and make the supervision of a good company. The realization of a balance in the supervision and control of the company will result in personal interests

JASa (Jurnal Akuntansi, Audit dan Sistem Informasi Akuntansi)
Vol. 5 No.2/ August 2021
ISSN 2550-0732 print / ISSN 2655-8319 online
DOI;10.36555/ jasa.v5i2.1570

for managers but will make the company more transparent, accountable, responsible, independent, and fair (Andhari and Sukartha 2017).

In implementing Corporate Governance, the guideline on the Asean Corporate Governance Scorecard is used, which is an idea given by regulators who joined the ASEAN Capital Market Forum (ACMF). The practice of using the scorecard has been used by several ASEAN countries including the Philippines, Malaysia, Singapore, Thailand, and Vietnam. The ASEAN Corporate Governance Scorecard has several principles including (1) shareholder rights, (2) equal treatment among shareholders, (3) roles of stakeholders, (4) disclosure and transparency, (5) board responsibility. The five principles were translated into 219 questions and 30 additional information in the form of bonuses and penalties. **H_8**: Corporate Governance Affects Tax Aggressiveness.

METHODS

In this study, we used a research method in the form of descriptive analysis where descriptive analysis research is research where research provides an overview of research data through the data or samples studied as it is by analyzing and making applicable conclusions.

For the research data used in this study, a research sample was used in the form of 50 mining and industrial companies listed on the Indonesia Stock Exchange (IDX) for a period of 3 years from 2017 - 2019, which have criteria (1) mining companies that have no income statement value. after the tax has a negative value, (2) the company has complete required research variables, (3) the company listed on the Indonesia Stock Exchange in succession or without being missed during the required research period.

The variables of this study consisted of 1 dependent variable and 8 independent variables.

Dependent Variable

The dependent variable in this study is tax aggressiveness which is proxied in the Effective Tax Rate (ETR):

ETR is usually used to show how much tax is borne by a company that uses the calculation of the total tax burden that has been paid by the company with the total income before tax expense. This proxy is used to determine how the implementation of policy changes the company's tax burden. ETR by several interested parties is used to measure how the effect of changes in the tax system used by the company is due to the cumulative changes of various tax burdens and changes in tax rates. This calculation is useful for knowing the average corporate tax in currency units and it is very important to know which company is using which currency unit for the calculation using:

$$ETR = \frac{Total\ income\ tax\ expense}{Pretax\ income}$$

Independent Variable

Profitability (ROA)

Profitability is the company's ability to make a profit by dividing the income after tax by its capital with the formula:

$$ROA = \frac{Earning\ after\ tax}{Equity}$$

Inventory Intensity (INVNT)

JASa (Jurnal Akuntansi, Audit dan Sistem Informasi Akuntansi)
Vol. 5 No.2/ August 2021
ISSN 2550-0732 print / ISSN 2655-8319 online
DOI;10.36555/ jasa.v5i2.1570

Inventory Intensity is used to find the proportion of companies with total company assets calculated using the formula:

$$INVNT = \frac{Total\ inventory}{Total\ assets}$$

Capital Intensity (CINT)

Capital Intensity is used to find the number of the company's assets in the form of fixed assets which is calculated using the formula:

$$CINT = \frac{Net\ fixed\ assets}{Total\ assets}$$

Leverage (DAR)

Leverage is used to determine the number of company assets if it is financed with debt which is calculated using the formula:

$$DAR = \frac{Amount\ of\ debt}{Total\ equity}$$

Corporate Social Responsibility (CSR)

Corporate social responsibility in the study was calculated using a list of disclosures about CSR as revealed in a study conducted by (Gunawan 2010), in this study Gunawan argued that CSR was revealed into 46 disclosure items and entered into 8 categories, namely environment, energy, human resources, communities, products, sustainability, external relations, and other info. The measurement uses in the form of a score ranging from 1 to 5:

Number 1 when the CSR item is expressed in several sentences. Figure 2 when the CSR item is disclosed in several paragraphs. Number 3 if the CSR item is disclosed as many as half A4 pages. Number 4 if the CSR item is disclosed on one A4 page. Number 5 if the CSR item is disclosed more than 1 A4 page.

After being given a score for each CSR disclosure, the total score obtained will be divided by the total absolute score, which is 40 from each theme.

Audit Committee Size

The audit committee is used to assist the board of commissioners to oversee the company independently in providing input regarding the company's internal management control system, the calculation of the audit committee by how many members of the audit committee there are in the company.

Company Size

Company size is a measure used to show how big the company is. The calculation of company size is done by using the natural logartima of total assets.

$$Ln = Total\ assets$$

Corporate Governance (CG)

Corporate governance is a regulation used by the government about companies with investors and the government, which is calculated based on a percentage of the application of aspects the company, this aspect consists of, aspect 1:the relationship between the public company and shareholders in guaranteeing the rights of shareholders, aspect 2: function and role of the board of commissioners, aspect 3:function and role of the board of directors, aspect 4:stakeholder participation, aspect 5:disclosure of information. which is then formulated into:

JASa (Jurnal Akuntansi, Audit dan Sistem Informasi Akuntansi)
Vol. 5 No.2/ August 2021
ISSN 2550-0732 print / ISSN 2655-8319 online
DOI;10.36555/ jasa.v5i2.1570

$$CG = \left(\left(\frac{Aspect1}{50} \times 20\%\right) + \left(\frac{Aspect2}{60} \times 15\%\right) + \left(\frac{Aspect3}{60} \times 30\%\right) + \left(\frac{Aspect4}{60} \times 20\%\right) + \left(\frac{Aspect5}{20} \times 15\%\right)\right) \times 100$$

RESULTS AND DISCUSSION

General description of the research data

This research takes the theme of the effect of financial variables and company size on tax aggressiveness, where the research data is taken from mining and industrial company data listed on the Indonesia Stock Exchange for 3 years, from 2017 - 2019.

Hypothesis and Research Test Results

Classic assumption test

In the classical assumption test, there are several testing processes, starting from the normality test, multicollinearity, autocorrelation, and heteroscedasticity.

Table 1. Normality Test Results

Variabel	N	Kolmogotov-Smirnov Z	Sig	Conclusion
Unstandardized Residual	69	0,104	0,061	Normal Data

Source: Of processed data

In table 1, the normality test gets the test results where the Kolmogorov-Smirnov data value is 0.061> 0.05, where the Kolmogorov-Smirnov value must be greater than the 0.05 value so that from the table above it can be concluded that the data under study is normal.

Table 2 Multicollinearity Test Results

Variabel	Tolerance	VIF	Description
Profitability	0,858	1,165	Multicollinearity Does Not Occur
Inventory Intensity	0,701	1,426	Multicollinearity Does Not Occur
Capital Intensity	0,768	1,301	Multicollinearity Does Not Occur
Leverage	0,623	1,606	Multicollinearity Does Not Occur
CSR	0,744	1,344	Multicollinearity Does Not Occur
Audit Committee	0,581	1,721	Multicollinearity Does Not Occur
Company Size	0,726	1,377	Multicollinearity Does Not Occur
Corporate Governance	0,702	1,425	Multicollinearity Does Not Occur

Source: Of processed data

In table 2, the multicollinearity test of the data obtained shows that the VIF value of each variable is> 10 and with a tolerance value> 0.10, it can be concluded that the data does not occur multicollinearity.

Table 3 Autocorrelation Test Results

DW	Dl	Du	4-Dl	4-Du	Description
1,896	1,3630	1,8751	2,6370	2,1249	There Is no Autocerrelation

Source: Of processed data

Table 3 is an autocoleration test wherein the test is calculated from the Dw value between Du and 4-Du, the table shows that the Dw value is 1.896 while the Du and 4-

JASa (Jurnal Akuntansi, Audit dan Sistem Informasi Akuntansi)
Vol. 5 No.2/ August 2021
ISSN 2550-0732 print / ISSN 2655-8319 online
DOI;10.36555/ jasa.v5i2.1570

Du values are 1.8751 and 2.1249, respectively. From this, it can be concluded that the data did not occur autocoleration because the value of Dw was between Du and 4-Du.

Heteroscedasticity Test Results

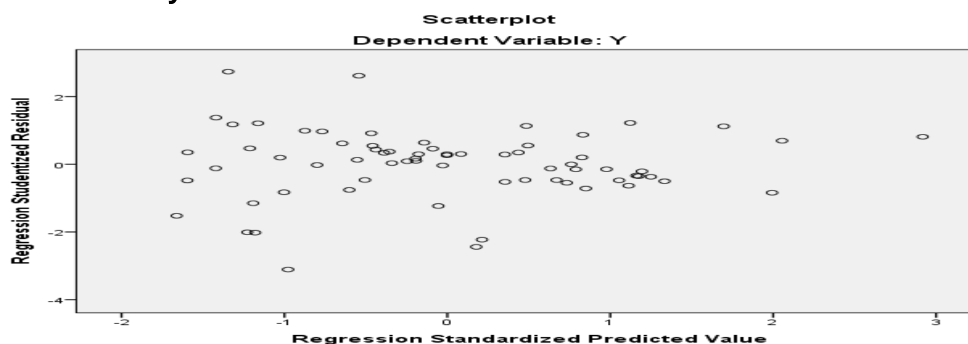

Figure 1. Heteroscedasticity
Source: Of Processed Data

Heteroscedasticity test is a test to find the distribution of data used in research, where good research is if the data under study does not gather in one area. In the picture above, it is shown that the data distribution points are evenly distributed between the 0s on the y-axis, so it can be concluded that the data does not experience heteroscedasticity.

Multiple linear regression analysis

Multiple linear regression analysis is a system of analysis in research that is used to determine how the effect of independent variables on the dependent variable in a study.

Table 4. Multiple Linear Regression Test Results

Model	B	Std. Error	T	Dig
CONSTAN	0,801	0,391	2,047	0,045
Profitability	0,019	0,022	0,838	0,405
Inventory Intensity	0,309	0,175	1,766	0,082
Capital Intensity	-0,216	0,096	-2,253	0,028
Leverage	-0,167	0,083	-2,010	0,049
CSR	0,015	0,098	0,157	0,876
Audit Committee	0,053	0,041	1,288	0,203
Company Size	-0,006	0,009	-0,669	0,506
Corporate Governance	0,000	0,003	-0,028	0,977

Source: Of processed data

Based on the results from table 4, the multiple linear regression equation can be arranged as follows:

$$Y = 0{,}801 + 0{,}019x_1 + 0{,}309x_2 - 0{,}216x_3 - 0{,}167x_4 + 0{,}015x_5 + 0{,}053x_6 - 0{,}006x_7 + 0{,}000x_8$$

The constant value is 0.801 so that if the values of Profitability, Inventory Intensity, Capital Intensity, Leverage, CSR, Audit Committee, Company Size, Corporate Governance are worth 0,000 it will still be 0.801. The regression coefficient obtained from the profitability variable has a positive value so that every 1% increase, the Tax

JASa (Jurnal Akuntansi, Audit dan Sistem Informasi Akuntansi)
Vol. 5 No.2/ August 2021
ISSN 2550-0732 print / ISSN 2655-8319 online
DOI;10.36555/ jasa.v5i2.1570

Aggressiveness will increase by 0.019, the Inventory Intensity variable is positive so that if every 1% increase, the Tax Aggressiveness will increase 0.309, the Capital Intensity variable will be negative so that if each increase 1%, the Tax Aggressiveness will decrease -0.216, the Leverage Variable is negative so that if every 1% increase, the Tax Aggressiveness will decrease -0.167, the CSR variable is positive so that if every 1% increase, the Tax Aggressiveness will increase by 0.015, the Audit Committee Variable is positive so that if every 1% increase, the Tax Aggressiveness will increase to 0.053, the Company Size Variable is negative so that if every 1% increase, the Tax Aggressiveness will decrease by 0.006, the Corporate Governance Variable is positive so that every 1% increase the Tax Aggressiveness will increase 0,000.

Table 5. The Results of The Model Feasibility Test

F Count	Sig	F Table	Description
2,262	0,035	2,10	Decent Model

Source: Of processed data

In the feasibility test, the data can be said to be suitable for use if the data under study has a value of F count> F table, so it can be concluded that the data under study is suitable for researching because the data used shows the calculated F value of 2.262 while the value of F table is 2.10 the calculated F value has been said to be greater than the F table value.

Table 6. T Test Result

Variabel	T Count	T Table	Sig	Criteria	Description
Profitability	0,838	2	0,405	0,05	Rejected
Inventory Intensity	1,766	2	0,082	0,05	Rejected
Capital Intensity	-2,253	-2	0,028	0,05	Accepted
Leverage	-2,010	-2	0,049	0,05	Accepted
CSR	0,157	2	0,876	0,05	Rejected
Audit Committee	1,288	2	0,203	0,05	Rejected
Company Size	-0,669	-2	0,506	0,05	Rejected
Corporate Governance	-0,028	-2	0,977	0,05	Rejected

Source: Of processed data

In research the t-test is used to determine which independent variables will affect the dependent variable using -t table = t count = t table, the result is H0 accepted, whereas if the data generated is -t count <-t table or t count> t table then H0 will be rejected. From here it can be concluded that if the data examined in the table above, there are only 2 accepted variables, namely capital intensity, and leverage, while for the other 6 variables, namely profitability, inventory intensity, CSR, audit committee, company size, and corporate governance are rejected or have no influence on tax aggressiveness variable.

Table 7. The Coefficient of Determination Test Results (R2)

R	R Square	Adjusted R Square	Std. Erorr Of The Estimate	Description
0,481	0,232	0,129	0,127834	Has an Effect 12,90%

Source: Of processed data

JASa (Jurnal Akuntansi, Audit dan Sistem Informasi Akuntansi)
Vol. 5 No.2/ August 2021
ISSN 2550-0732 print / ISSN 2655-8319 online
DOI;10.36555/ jasa.v5i2.1570

Determination coefficient test (R2) is used to determine how much influence changes in the independent variable have on the dependent variable, the results of the data studied show a value of 0.129 while in the form of a percentage it becomes 12.90%, from where it can be concluded that the research variable used is only valuable. 12.90% so it can be concluded that 87.10% can be in the form of other variables that are not included in this study.

Discussion

The Effect of Profitability (H1) on Tax Aggressiveness

The initial hypothesis put forward is that profitability has an effect on tax aggressiveness, but from the results of the research, this hypothesis is rejected because it is found that the t count is 0.838 with a significance level of 0.405. From these results it can be concluded that profitability does not affect tax aggressiveness, this research contradicts the research conducted by (Andhari and Sukartha 2017) where he argues that companies that are more profitable and efficient on their resources will take advantage of tax incentives and carry out management. in tax, spending is better so that the tax rate will be smaller.

The Effect of Inventory Intensity (H2) on Tax Aggressiveness

The initial hypothesis put forward is that inventory intensity has an effect on tax aggressiveness, but from the results of the research, the hypothesis is rejected because the t value is 1.766 while the significance level is 0.082. From these results, it can be concluded that the hypothesis is rejected so that inventory intensity does not affect tax aggressiveness.

Previous research that is in line with the results of the study is research conducted by (Nugraha and Meiranto 2015) where they argue that companies that record through the FIFO, LIFO, and Average systems can affect corporate tax liability, but in this study, they have not been able to use this method. The use of recording inventories within the company has an important role for tax or commercial purposes, and it also affects the company's tax rate which can indicate whether the company is taking tax aggressiveness.

The Effect of Capital Intensity (H3) on Tax Aggressiveness

The initial hypothesis put forward is that Capital Intensity affects tax aggressiveness. The opinion is rejected in the results obtained by the t value of -2.253 with a significance value of 0.028, thus it can be concluded that capital intensity affects tax aggressiveness. This means that capital intensity has a direct relationship with tax aggressiveness, where any increase in flood intensity capital will result in an increasing level of tax aggressiveness as well, the results of this study are in line with research proposed by (Ardyansyah 2014) where he argues that the company tends to choose to invest in assets that increase the company's depreciation expense which will result in a decrease in company profits which will affect the company's tax liability.

JASa (Jurnal Akuntansi, Audit dan Sistem Informasi Akuntansi)
Vol. 5 No.2/ August 2021
ISSN 2550-0732 print / ISSN 2655-8319 online
DOI;10.36555/ jasa.v5i2.1570

The Effect of Leverage (H4) on Tax Aggressiveness

The initial hypothesis put forward is that leverage affects tax aggressiveness, this hypothesis is rejected because the results of the calculation show that the t count is -2.010 with a significant level of 0.049, so it can be concluded that leverage affects tax aggressiveness. The results of this study indicate that leverage is inversely proportional to tax aggressiveness, research that is in line with this study is research from (Richardson and Lanis 2007) which argues that companies in making their funding decisions can choose one of the available funding sources, namely external and internal sources. Meanwhile, companies used in this study prefer to use internal sources of funding, namely retained earnings. This has an impact on the absence of interest expenses so that it will result in a reduction in company profits and also can not reduce company profits, (Philips 2003) argues that companies with large leverage values have the opportunity to take tax aggressiveness.

The Effect of CSR Corporate Social Responsibility (H5) on Tax Aggressiveness

The initial hypothesis put forward is that CSR corporate social responsibility affects tax aggressiveness, this hypothesis is rejected because, in the calculation, the t value is 0.157 with a significance level of 0.028. With this, it can be concluded that CSR corporate social responsibility does not affect tax aggressiveness. Where companies that have a large CSR disclosure value will not necessarily take tax aggressiveness, this result is inversely proportional to the research conducted by (Lanis and Richardson 2012) which argues that companies that disclose CSR have the opportunity to commit tax aggressiveness, which is shown by increasingly the high level of disclosure of tax aggressiveness, the higher the company's tax aggressiveness. This difference in results can occur due to differences in the selection of items used to assess CSR where Lanis and Richardson use standard disclosure items from abroad, namely by using the GRI standard, whereas in this study using the standard set forth BAPEPAM which adjusts to conditions in Indonesia. Moreover, disclosure of CSR in Indonesia is still appropriate when using BAPEPAM because it is not generally disclosure made by companies in Indonesia.

The Effect of the Audit Committee (H6) on Tax Aggressiveness

The initial hypothesis put forward is that the audit committee affects tax aggressiveness. The hypothesis is rejected because the results of the study show that the t value is 1.288 with a significance level of 0.203 so it can be concluded that the audit committee does not affect tax aggressiveness. According to agency theory in the company, there will be several parties that create conflicts between management within the company. So that the audit committee plays an important role in the company in terms of supervising and checking the company's mechanisms so that the company is compliant with tax regulations to reduce fraudulent acts in using power over the decisions of the company's financial statements. The results of research that are in line with this research are research conducted by (Annisa and Lulus 2012), arguing that the existence of an audit committee in a company is very important because with the existence of a company audit committee it is more responsible in providing financial reports. after all the audit committee will oversee all actions that take place in companies so that actions

JASa (Jurnal Akuntansi, Audit dan Sistem Informasi Akuntansi)
Vol. 5 No.2/ August 2021
ISSN 2550-0732 print / ISSN 2655-8319 online
DOI;10.36555/ jasa.v5i2.1570

taken by management in abusing power can be minimized and tax aggressiveness can also be reduced.

The Effect of Firm Size (H7) on Tax Aggressiveness

The initial hypothesis put forward is that company size affects tax aggressiveness, this hypothesis is rejected because the results of the study show that the t-value is -0.669 with a significance level of 0.506 so that it is concluded that company size does not affect tax aggressiveness.

The absence of tax aggressiveness shows that the size of the company, both large and small, cannot stop tax aggressiveness. This can occur due to the opinion of business actors that taxes are only a burden on companies, while the level of supervision from the tax authorities (tax officers) to companies, especially small companies, is still weak because it causes tax aggressiveness to spread throughout all types of companies. Apart from these efforts, large companies tend to emphasize the company's tax burden by using the company's asset depreciation expense which has no influence on accounting profit with taxable profit being the reference for reducing the effective tax rate, so it can be concluded that the size of large companies does not have an impact on accounting profit, the desire to do tax aggressiveness (Richardson and Lanis 2007).

The Effect of Corporate Governance (H8) on Tax Aggressiveness

The initial hypothesis put forward is that corporate governance affects tax aggressiveness. The hypothesis is rejected because the calculation results obtained a t-value of -0.028 with a significance level of 0.977, thus it can be concluded that corporate governance does not affect tax aggressiveness. Corporate governance should be able to influence the freedom to carry out aggressive tax planning, this opinion is following research conducted by (Lanis and Richardson 2013) but this research has not been able to show the influence of corporate governance on tax aggressiveness.

This happens because the company believes that the fulfillment of corporate governance is only as "fulfillment of obligations" or it can be interpreted as only fulfilling the prevailing laws and regulations in Indonesia, for example, the fulfillment of the number of independent commissioners and audit committees in a company only as of the fulfillment of obligations. not to improve corporate governance (Siregar and Utama 2008).

Also, the research results show that companies in Indonesia have started recording using the ASEAN Corporate Governance Scorecard but this has not been matched by the disclosure of detailed company reports such as the advice given by the OECD in both an annual report and a company's daily report. This shows that corporate governance is only documentation for the company. The implementation of good corporate governance should have a very good impact on the company to attract investors into company, it can be concluded that what is important in corporate governance is not only in its application but also in good results to be given to investors and stakeholders.

CONCLUSION

From this study, it is useful to determine the effect of financial variables, CSR management, and company size on tax aggressiveness, where the population of this

JASa (Jurnal Akuntansi, Audit dan Sistem Informasi Akuntansi)
Vol. 5 No.2/ August 2021
ISSN 2550-0732 print / ISSN 2655-8319 online
DOI;10.36555/ jasa.v5i2.1570

study consists of 50 mining and industrial companies listed on the Indonesia Stock Exchange in the 2017 - 2019 period. used is a purposive sample obtained 23 companies for 3 years (69 research data), with the results of the research obtained profitability, Inventory intensity, Corporate Social Responsibility (CSR), audit committee, company size, corporate governance does not affect tax aggressiveness. while for capital intensity, leverage affects tax aggressiveness.

Based on the research results and conclusions, there are limitations to the research. First, this research is only limited to mining and industrial companies so that the results cannot be applied to companies outside these companies, the second percentage level of the influence of the variables studied in this study is only 12.9% so that it is still there is 87.1% possibility of other variables that can influence tax aggressiveness. Meanwhile, the suggestions for further research are, first, maybe we can add other proxies as a reference in research such as cash effective tax rate (CETR) and book-tax different (BTD) to get more diverse results for tax aggressiveness, second for further research it can be generalized to companies others listed on the Indonesian Stock Exchange (IDX), the third possibility is that the next researcher can retrieve data for even longer research periods.

REFERENCES

Andhari, P. S., & Sukartha, I. M. (2017). Pengaruh Pengungkapan Corporate Social Responsibility, Profitabilitas, Inventoriy Intensity, Capital Intensity dan Leverage Pada Agresivitas Pajak. *E-Jurnal Akuntansi Universitas Udayana Vol 18 (3)*, 1 - 28.

Anita, F. M. (2015). Pengaruh Corporate Social Responsibility, Leverage, Likuiditas, dan Ukuran Perusahaan Terhadap Agresivitas Pajak (Studi Empiris Pada Perusahaan Real Estate dan Property yang Terdaftar Di Bursa Efek Indonesia Tahun 2010 - 2013). *Jom Fekom Vol. 2 No. 2*.

Ardyansyah, D. (2014). Pengaruh Size, Leverage, Profitabilitas, Capital Intensity Ratio dan Komisaris Independen Terhadap Effective Taxe Rate (ETR). *Fakultas Ekonomika dan Bisnis Universitas Diponegoro*.

Brigham, E. F., & Joel, F. H. (2001). Fundamental of Financial Management. *Ninth Edition Horcourt College United State of America*.

Bursa Efek Indonesia. (n.d.). *Laporan Keuangan Tahunan*. Retrieved Juli 12, 2020, from Idx.co.id

Chen, C. K. (2004). Research on Impacts of Team Leadership on Team Effectiveness. *The Journal of American Academy of Business, Cambridge*, 266 - 278.

Dharma, I. S., & Ardiana, P. A. (2016). Pengaruh Leverage, Intensitas Aset Tetap, Ukuran Perusahaan, dan Koneksi Politik Terhadap Tax Avoidance. *E-Jurnal Akuntansi Universitas Udayana 15*, 584 - 613.

Eksandy, A. (2018). Pengaruh Komite Independen, Komite Audit, dan Kualitas Audit Terhadap Penghindaran Pajak (Tax Avoidance).

Frank, M. L., & Rego, S. (2009). The Accounting Review, Vol.82 No. 2. *Tax Reporting Aggressiveness and its Relation to Aggressive Financial Reporting*, 467-496.

Gunawan, J. (2010). Perception of Important Information in Corporate Social Disclosure: Evidence from Indonesia. *Social Responsibility Journal, 6 (10)*, 62 - 71.

Gunawan, J. (2017). Pengaruh Corporate Social Responsibility dan Corporate Governance Terhadap Agresivitas Pajak. *Jurnal Akuntansi / Volume XXI, No. 03*, 1 - 12.

Nugraha, & Meiranto. (2015). Pengaruh CSR, Ukuran Perusahaan, Profitabilitas, Leverage dan Capital Intensity Terhadap Agresivitas Pajak.

Nurjanah, I. (2018). Pengaruh Likuiditas, Leverage, Corporate Social Responsibility, Ukuran Perusahaan dan Komisaris Independen terhadap Agresivitas Pajak Badan.

Peraturan Otoritas Jasa Keuangan, 55/POJK.04/2015 (Pembentukan dan Pedoman Pelaksanaan Kerja Komite Audit).

Prameswari, F. (2017). Jurnal Ekonomi Akuntansi Vol. 3 Issue 4. *Pengaruh Ukuran Perusahaan Terhadap Agresivitas Pajak dengan Corporate Social Responsibulity (CSR) Sebagai Variabel Moderasi*, 17.

Pratana, P. M., Eddy, S., & Putri, M. R. (2017). *Pengaruh Kepemilikan Terkonsentrasi dan Corporate Governance Terhadap Agresivitas Pajak*, 1 - 26.

Putri, & Putra. (2017). Pengaruh Leverage, Profitabilitas, Ukuran Perusahaa dan Proporsi Kepemilikan Institusional Terhadap Agresivitas Pajak.

Richardson, G., & Lanis, R. (2007). Determinants of the Variability in Corporate Governance Effective Tax Rate and Tax Reform: Evidance from Australia. *Journal of Accounting and Public Policy*, 689 - 704.

Shleifer, A., & Vishny, R. W. (1997). A Survey of Corporate Govermance. *Journal of Finance, 52*, 737 - 783.

Surat Keputusan Direksi Bursa Efek Indonesia, Kep-00001/BEI/01-2014 (January 2014).