

## **ABSTRACT**

### **THE EFFECT OF CORPORATE SOCIAL RESPONSIBILITY (CSR) DISCLOSURE AND POLITICAL CONNECTION ON CORPORATE TAX AVOIDANCE: A STUDY FROM INDONESIA'S MINING SECTOR LISTED COMPANIES OF YEAR 2020-2024**

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This study investigates the effect of Corporate Social Responsibility (CSR) disclosure and political connection on corporate tax avoidance among mining companies listed on the Indonesia Stock Exchange (IDX) during the period 2020–2024. As CSR practices increasingly shape stakeholder expectations, questions arise as to whether such disclosures genuinely reflect ethical corporate behavior or are strategically employed to legitimize tax planning. In addition to CSR disclosure, political connection is examined as an external institutional factor that may influence firms' tax behavior by reducing regulatory scrutiny and enforcement risk. CSR disclosure is measured using the Global Reporting Initiative (GRI) or POJK index, while tax avoidance is proxied by the Effective Tax Rate (ETR). Additionally, political connection is identified based on the presence of politically affiliated individuals in the firms' board list. This study adopts a quantitative approach employing panel data linear regression analysis. The research population consists of mining companies consistently listed on the IDX during the observation period, with samples selected through purposive sampling, having 40 mining companies in total. This study aiming to contribute to academic discourse and practical implications for policymakers, investors, and regulators. The findings found that there are no significant effect between CSR disclosure and political connection on tax avoidance. The results of this study concluded that there are many factors both from internal and external that could affect tax avoidance activity in Indonesia's mining companies yet was not covered in this study.

Key words: Corporate Social Responsibility Disclosure, Political Connection, Tax Avoidance

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*Penelitian ini bertujuan untuk melihat pengaruh pengungkapan Corporate Social Responsibility (CSR) dan koneksi politik terhadap penghindaran pajak pada perusahaan pertambangan yang terdaftar di Bursa Efek Indonesia (BEI) selama periode 2020–2024. Seiring meningkatnya praktik CSR dalam membentuk ekspektasi para pemangku kepentingan, muncul pertanyaan apakah pengungkapan tersebut benar-benar mencerminkan perilaku perusahaan yang etis atau justru digunakan secara strategis untuk menutup praktik perencanaan pajak. Selain pengungkapan CSR, koneksi politik juga diteliti sebagai faktor institusional eksternal yang dapat memengaruhi perilaku pajak perusahaan dengan mengurangi pengawasan regulasi dan risiko penegakan hukum. Pengungkapan CSR diukur menggunakan Indeks Global Reporting Initiative (GRI) atau POJK, sedangkan penghindaran pajak diproksikan dengan Effective Tax Rate (ETR). Selain itu, koneksi politik diidentifikasi berdasarkan keberadaan individu yang memiliki afiliasi politik dalam daftar dewan perusahaan. Penelitian ini menggunakan pendekatan kuantitatif dengan analisis regresi linear data panel. Populasi penelitian terdiri dari perusahaan pertambangan yang secara konsisten terdaftar di BEI selama periode pengamatan, dengan menggunakan metode purposive sampling sehingga diperoleh total 40 perusahaan pertambangan. Penelitian ini bertujuan untuk memberikan kontribusi terhadap pengembangan literatur akademik serta implikasi praktis bagi pembuat kebijakan, investor, dan regulator. Hasil penelitian menunjukkan bahwa tidak terdapat pengaruh signifikan antara pengungkapan CSR dan koneksi politik terhadap penghindaran pajak. Hasil penelitian ini menyimpulkan bahwa terdapat banyak faktor, baik internal maupun eksternal, yang dapat memengaruhi aktivitas penghindaran pajak pada perusahaan pertambangan di Indonesia namun belum tercakup dalam penelitian ini.*

*Kata kunci: Pengungkapan Corporate Social Responsibility, Koneksi Politik, Penghindaran Pajak*