ABSTRACT

THE INFLUENCE OF CORPORATE GOVERNANCE ON TAX AVOIDANCE IN MANUFACTURING COMPANIES LISTED ON THE INDONESIA STOCK EXCHANGE IN 2021-2023

By

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This study aims to examine the effect of corporate governance mechanisms on tax avoidance in manufacturing companies listed on the Indonesia Stock Exchange (IDX) during the 2021–2023 period. The corporate governance mechanism in this study is measured through five independent variables, namely institutional ownership, independent board of commissioners, audit committee, audit quality, and foreign ownership. Tax avoidance as a dependent variable is measured using the Effective Tax Rate (ETR) proxy. The results of the study show that partially, institutional ownership, independent board of commissioners, audit committee, audit quality, and foreign ownership do not have a significant effect on tax avoidance. Simultaneously, the five variables also do not have a significant effect on tax avoidance. This finding indicates that tax avoidance practices in manufacturing companies are not directly influenced by corporate governance mechanisms as measured by these variables. This study provides implications for regulators and companies in evaluating the effectiveness of the implementation of good corporate governance principles in supervising tax policies.

Keywords: *corporate governance, tax avoidance, ETR, institutional ownership, independent board of commissioners, audit committee, audit quality, foreign ownership.*

ABSTRAK

PENGARUH CORPORATE *GOVERNANCE* TERHADAP *TAX AVOIDANCE* PADA PERUSAHAAN MANUFAKTUR YANG TERDAFTAR DI BURSA EFEK INDONESIA TAHUN 2021-2023

Oleh

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Penelitian ini bertujuan untuk menguji pengaruh mekanisme corporate governance terhadap tax avoidance pada perusahaan manufaktur yang terdaftar di Bursa Efek Indonesia (BEI) selama periode 2021–2023. Mekanisme corporate governance dalam penelitian ini diukur melalui lima variabel independen, yaitu kepemilikan institusional, dewan komisaris independen, komite audit, kualitas audit, dan kepemilikan asing. Tax avoidance sebagai variabel dependen diukur menggunakan proxy Effective Tax Rate (ETR). Hasil penelitian menunjukkan bahwa secara parsial, kepemilikan institusional, dewan komisaris independen, komite audit, kualitas audit, dan kepemilikan asing tidak berpengaruh signifikan terhadap tax avoidance. Secara simultan, kelima variabel tersebut juga tidak berpengaruh signifikan terhadap tax avoidance. Temuan ini menunjukkan bahwa praktik penghindaran pajak pada perusahaan manufaktur tidak secara langsung dipengaruhi oleh mekanisme tata kelola perusahaan yang diukur melalui variabel-variabel tersebut. Penelitian ini memberikan implikasi bagi regulator dan perusahaan dalam mengevaluasi efektivitas penerapan prinsip-prinsip good corporate governance dalam pengawasan kebijakan perpajakan.

Kata kunci: corporate governance, tax avoidance, ETR, kepemilikan institusional, dewan komisaris independen, komite audit, kualitas audit, kepemilikan asing