Research.

Company size, sales growth and leverage against tax avoidance in property and real estate companies on the Indonesian Stock Exchange for the period of 2012-2018

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ABSTRACT. *The difference in tax interests between companies and the government encourages companies to regulate the amount of tax burden to be paid, a strategy that is usually used by companies, namely tax avoidance, besides that the tax ratio in Indonesia has decreased from 2012-2017. This phenomenon shows that tax avoidance is still being carried out. This research aims to examine the effect of company size, sales growth, and leverage on tax avoidance in property and real estate companies listed on the IDX in the period 2012-2018. Twenty-one samples were tested with classical assumption test, using multiple regression analysis techniques. The results show that partially company size has an effect on tax avoidance, sales growth has no effect on tax avoidance and leverage has an effect on tax avoidance. Simultaneously, company size, sales growth and leverage have an effect on tax avoidance.*

Keywords: *Leverage, Sales Growth, Tax Avoidance and Company Size*

INTRODUCTION

Background

Taxes for companies are a burden that can reduce corporate profits, while taxes for the state are state revenues from the tax sector which will be used to fund governance and play a very important role for the continuity of a country's government system. Based on the 2018 State Budget, state revenue is IDR 1,894.7 T, and in the amount of IDR 1,618.1 T or 85.4% of the income came from tax revenue.

The difference in interests between the government and the company encourages companies to regulate the amount of tax to be paid by the company. The strategy that can be done to reduce taxes, namely tax avoidance, is an effort to minimize the tax burden that is often carried out by companies, because it is still within the framework of the applicable tax regulations. The phenomenon of tax avoidance in Indonesia can be seen from the tax ratio of the Indonesian state, the higher the tax ratio of a country, the better the country's tax collection performance. The following is the data regarding Indonesia's tax ratio for the period 2012-2018 which is presented in the figure below.

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Figure 1 Indonesia's Tax Ratio 2012- 2018

Sources: (www.kemenkeu.go.id), 2018 and (www.pajak.go.id), 2018

Through this data, the tax ratio for the last 7 (seven) years, namely from 2012-2018 shows a decline from 2012-2017 and has increased in 2018. This indicates that the tax revenue used by the state has not been optimal in 2012-2017. Abroad and in Indonesia itself, there are still many cases of tax avoidance, such as tax evasion by Singapore-based healthcare companies, namely PT RNI (kompas.com) and PT Adaro Energy (tirto.id).

There are many factors that can lead to tax avoidance, one of which is the size of the company, according to Handayani and Wulandari (2014) in Wijayanti and Merkusiwati (2017). it gets more and more complex. So it allows companies to take advantage of existing loopholes to take tax avoidance actions from each transaction. Dewinta and Setiawan (2016) stated that sales growth is also one of the factors that affect tax avoidance. The more sales growth shows that the greater the profit the company will get, which will have an impact on the high tax costs that must be paid. Therefore, companies do tax avoidance so that the company's burden is not high. The next factor is leverage; according to Surbakti (2012) leverage is a funding policy where the level of debt is used by the company to finance its operating activities. The increase in the amount of debt will cause an interest expense to be paid by the company. The interest expense incurred on the debt will be used as a deduction for the company's net profit which will reduce tax payments.

Based on article 17 of Law no. 36 of 2008 concerning income tax, the tax rate on entities is 25%. Tax avoidance in this study is measured using the cash effective tax rate (CETR). In 2018, tax revenues from the property, real estate and building construction sector amounted to IDR 83.51 trillion or 6.62% (Online-Pajak.com), lower than 2017 which amounted to 7.61% (katadata.co. id).

The following is an average graph that contains information about the CETR value, Company Size, Sales Growth and DAR (Leverage) of property and real estate sub-sector companies listed on the IDX for the period 2012-2018.

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Figure 2 Average CETR Value, Company Size, Sales Growth and Leverage

(Source: idx.co.id, data processed by the author, 2019)

The chart above shows that the property and real estate sub-sector companies avoided taxes in 2014 because they had a CETR value below 0.25, while the size value has increased every year. This illustrates that company size has no effect on tax avoidance. This shows the incompatibility of the theory that has been put forward and is different from the results of researchers by Lestari et. Al., (2018), that the larger the size of the company, the greater the tax avoidance actions taken by the company.

The value of sales growth on the chart has decreased from 2012 to 2015, but continued to practice tax avoidance in 2014. Then in 2016 when the value of sales growth increased but did not do tax avoidance practices. This shows that there is a discrepancy with the theory put forward by Rahedi (2019) which states that sales growth has an effect on tax avoidance. This shows that the greater the sales growth rate of a company, the higher the level of tax avoidance practices of a company.

The leverage value of the chart above experiences a fluctuating state. In 2014 the leverage value decreased but the CETR value decreased, then in 2013 and 2015 when the leverage value increased but the CETR value increased or there was no tax avoidance practice. This shows that the incompatibility with the theory put forward by Wijayanti and Merkusiwati (2017) that leverage has an effect on tax avoidance, namely the greater leverage in the company can significantly affect the increase in tax avoidance practices that can occur.

The objectives of this research are the influence of company size, sales growth and leverage on tax avoidance in property and real estate sub-sector companies listed on IDX in the period 2012-2018. Previous research, Putri and Suryarini (2017) proved that the size of the company affects tax avoidance, Nafis, et al (2017) proves that the results of their research on sales growth and leverage also affect tax avoidance. In Cahyana (2019) the results showed that sales growth and leverage had no effect on tax avoidance.

Problem Formulation

Based on the background of the problem that the author described, then the author can formulate the problem as follows:

1. Does the size of the company affect tax avoidance on property and real estate subsectors listed on the Indonesia Stock Exchange for the period 2012-2018?
2. Does sales growth affect tax avoidance in property and real estate subsectors listed on the Indonesia Stock Exchange for the period 2012-2018?
3. Does leverage affect tax avoidance on property and real estate subsectors listed on the Indonesia Stock Exchange for the period 2012-2018?
4. Does the size of the company, sales growth and leverage have a common influence on tax avoidance on property and real estate subsectors listed on the Indonesia Stock Exchange for the period 2012-2018?

LITERATURE REVIEW

Library Review and Hypothetical Development

Agency Theory

According to Hendriksen and Breda (1992) in Kumiasih and Sari (2013) the Agency Theory states the contractual relationship between the agent (management of a business) and the principal (business owner). The agent performs certain duties for the principal, and the principal has an obligation to reward the agent, where the principal submits management authority to the management of the company. Meanwhile, the management of the company as a party authorized to manage the company has an obligation to provide and submit financial statements as a form of accountability to the principal. The agency's theory relates to the size of the company, sales growth and leverage in tax avoidance practices, where the management of the company if managing the size of the company, sales growth and leverage can well utilize it in conducting tax avoidance practices aimed at maximizing the profit earned by the company.

Company Size

According to Agustina and Aris (2016) in Primasari (2019) the size of the company is a scale that can classify the company into companies large and small by comparing the company's total assets, stock market value, average sales rate, and number of sales. According to Rego (2003) in Marfu'ah (2015) stated the larger the size of the company, the more complex the transaction will be. So it allows companies to exploit existing loopholes to take tax avoidance measures out of every transaction.

Sales Growth

According to Dewinta and Setiawan (2016) Sales growth is a calculation of increase or decrease in sales from year to year. With this sales growth ratio, companies can see how their business is growing year after year. The higher this ratio the better the company in running its business and the more likely it is to get the most profit. The higher the sales growth ratio then the resulting profit will increase. So the higher the level of sales then the company is likely to make a big profit.

Leverage

According to Darmawan and Sukartha (2014) Leverage is a ratio that indicates the amount of debt held by the company to finance its operations. The increase in the amount of debt will result in the appearance of interest expense to be paid by the company. The interest expense component will reduce the company's pre-taxable profit, so the tax burden that the company must pay will be reduced (Surbakti, 2012).

Tax Avoidance

Tax avoidance is an avoidance effort carried out by taxpayers legally that does not violate tax law by exploiting weaknesses in tax law with the aim of reducing the amount of tax owed. In another sense, companies deliberately commit tax evasion to reduce the payment of taxes that must be paid to the state, with the conduct of tax avoidance.

Hypothetical Development

The larger the size of the company the more complex the transaction will be. Thus, companies can exploit loopholes to conduct tax avoidance of every transaction that the company makes. Large and stable profits will tend to encourage companies to practice tax avoidance because large profits will cause a huge tax burden as well. Research conducted by Selviani, et al (2019), Fadhilah (2017), Putri and Suryarini (2017), Lestari, et al (2018), Susanti (2018), Dewi and Noviar (2017), Turyatini (2017), Dharma and Ardiana (2016) and Musyarofah (2016), showed the influence of the company's size on tax avoidance. Thus the hypothetical conclusions in this study are as follows:

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H₁: The Size of the Company affects

Tax avoidance in the property and real estate sub-sectors listed on the Indonesia Stock Exchange in the period 2012 – 2018.

The larger the sales volume of a company indicates that the company's sales growth is increasing. If sales growth increases, the company's profit is assumed to increase. Rising corporate profits mean the tax paid by companies will get bigger so companies will be more likely to take tax avoidance measures. Research conducted by Rahedi (2019), Susanti (2018), Rahmawati, (2017), Fatimah (2018), Lestari, et al (2018), Nafis, et al (2017) and Purwanti and Sugiyarti (2017) showed sales growth affecting tax avoidance. Thus the hypothetical conclusions in this study are as follows:

H₂: Sales Growth affects

tax avoidance on property and real estate sub-sector companies listed on the Indonesia Stock Exchange in the period 2012 – 2018.

The higher the amount of funding from third-party debt used by the company and the higher the interest costs arising from the debt. Higher interest costs will have the effect of reducing the corporate tax burden. The higher the value of the company's debt, the lower the value of the company's CETR. Research conducted by Wijayanti and Merkusiwati (2017), Rachmithasari (2015), Dewi and Noviani (2017), Nafis, et al (2017), Dharma and Ardiana (2016), Musyarofah (2016), and Marfu'ah (2015) shows that leverage affects tax avoidance. Thus the hypothetical conclusions in this study are as follows:

H₃: Leverage affects on

tax avoidance on property and real estate sub-sector companies listed on the Indonesia Stock Exchange in the period of 2012 – 2018.

The effect of the size of the company, sales growth and leverage on tax avoidance is that the larger the size of the company, the higher the sales growth and the higher the leverage, the lower the value of CETR that it can expect tax avoidance measures. Researchers conducted by Nafis, et al (2017) showed the influence of the size of the company, sales growth and leverage on tax avoidance. Thus the hypothetical conclusions in this study are as follows:

H₄: Company Size, Sales Growth and Leverage

are jointly affect tax avoidance on property and real estate sub-sector companies listed on the Indonesia Stock Exchange in the period 2012 – 2018.

RESEARCH METHODOLOGY

The sample selected using purposive sampling method is the sample selected using certain considerations tailored to the purpose of the research or research issues developed. The sample used in this study was a Property and Real Estate company listed on the Indonesia Stock Exchange, published a complete annual report on both annual report and financial report for 2011-2018, using rupiah and never experiencing losses during the research period of 2012- 2018.

The data used is secondary data which is the data of financial statements, which is sampled available on the website of the Indonesia Stock Exchange (www.idx.co.id), IDN Financials and the website of each company

.In this study, the independent variables namely the size of the company, sales growth and leverage while being dependent variables are tax avoidance Operationalization variables in this study are as follows:

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Table 1 Operational Variables

Variable	Indicator	Measure	Scale
Company Size(X1)	Natural Logarithm (Total Assets)	<i>Company Size = Ln Total Asset</i>	Ratio
Sales Growth (X2)	Sales Growth	<i><u>Sales Year Now - Previous Year Sales</u></i> <i><u>Previous Year Sales</u></i>	Ratio
Leverage (X3)	Debt to Asset Ratio (DAR)	<i><u>DAR = Total Debt</u></i> <i><u>Total Asset</u></i>	Ratio
Tax Avoidance (Y)	Cast Effective Tax Rate (CETR)	<i>CETR = <u>Amount of Cash paid for Tax</u></i> <i><u>Profit before Tax</u></i>	Ratio

RESULT AND DESCRIPTION

RESULTS

Classical Assumption Test

Table 2 Normality Test Results

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		103
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	.22775285
Most Extreme Differences	Absolute	.067
	Positive	.067
	Negative	-.060
Test Statistic		.067
Asymp. Sig. (2-tailed)		.200 ^{c,d}

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

d. This is a lower bound of the true significance.

Source: Data Processing Results, 2019

Asymp signification value, Sig. (2-tailed) obtained is 0.200. Because the resulting signification value is above 0.05 then the residual value is normal. So this research model is stated to have fulfilled the assumption of normality.

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Multicollinearity Test

Table 3 Multicollinearity Test Results

Model	Coefficients ^a					Collinearity Statistics	
	Unstandardized Coefficients		Standardized Coefficients				
	B	Std. Error	Beta	t	sig.	Tolerance	IVIF
(Constant)	1.552	748		2.076	.040		
(X ₁)	-.066	024	-.256	-2.737	.007	.868	1.152
(X ₂)	-.059	048	-.108	-1.231	.221	.994	1.006
(X ₃)	.897	166	.506	5.394	.000	.863	1.158

a. Dependent Variable: CETR (Y)

Source: Data Processing Results, 2019

Based on the table above shows all variable values X above tolerance value 0.10 among others namely the company size value (X1) of 0.868, the value of sales growth (X2) of 0.994 and the leverage value (X3) of 0.863. In addition, the value of VIF is smaller than 10.00, namely the size of the company (X1) of 1,152, the value of sales growth (X2) of 1,006 and the leverage value (X3) of 1,158. Then it can be concluded that in the regression model there is no problem of multicollinearity.

Heteroskedastisity Test

Figure 4 Heteroskedastisity Test Results

Source: Data Processing Results, 2019

Based on the Scatter Plot chart above, it can be concluded that there is no heteroskedastisity in the regression model because the Scatter Plot chart shows an obscure pattern, as well as the dots above and below the number 0 on the Y axis.

Autocorrelation Test

Table 4 Autocorrelation Test Results

Runs Test	
	Unstandardized Residual
Test Value ^a	.02260
Cases < Test Value	51
Cases >= Test Value	52
Total Cases	103
Number of Runs	43
Z	-1.881
Asymp. Sig. (2-tailed)	.060

a. Median

Source: Data Processing Results, 2019

Based on the table above asymp.sig (2-tailed) results of 0.06 greater than 0.05, it can be concluded that there are no symptoms of auto correlation. So the regression model can be said to be good.

Multiple Linear Regression Analysis Test

Table 5 Multiple Linear Regression Analysis Test Results

Model	Unstandardized Coefficients		Standardized Coefficients Beta	T	Sig.
	B	Std. Error			
(Constant)	1.552	.748		2.076	.040
X1	-.066	.024	-.256	-2.737	.007
X2	-.059	.048	-.108	-1.231	.221
X3	.897	.166	.506	5.394	.000

a. Dependent Variable: CETR

Source: Data Processing Results, 2019

The results in the table 5 can be modeled linear regression equations as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

$$Y = 1,552 - (0.066) \text{ Company Size} - (0.059) \text{ Sales Growth} + (0.897) \text{ Leverage} + e$$

Caption:

Y = Tax avoidance

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α = Constant
 X_1 = Company Size
 X_2 = Sales Growth
 X_3 = Leverage
 $\beta_1\beta_2\beta_3$ = Partial Regression Coefficient
 e = Error

The equation above explains that:

1. Constant
The constant value of 1.552 shows that if an independent variable (company size, sales growth and leverage) is assumed to be equal to zero, then CETR will increase by 1.552
2. Company Size Variable Regression Coefficient
The company size coefficient value of -0.066 means that if the Variable Size of the Company increases by 1 time then CETR will decrease by -0.066.
3. Sales Growth Variable Regression Coefficient
The coefficient value of Sales Growth of -0.059 means that if the variable Sales Growth increases by 1 time then CETR will decrease by -0.059.
4. Leverage Variable Regression Coefficient
Leverage coefficient value of 0.897 means that if leverage variables increase by 1 time then CETR will increase by 0.897.

Hypothesis Test

Partial Regression Coefficient Test (t Test)

Table 6. t Test Results

Coefficients ^a					
Model	Unstandardized Coefficients	Std. Error	Standardized Coefficients	t	Sig.
(Constant)	1.552	.748		2.076	.040
(X_1)	-.066	.024	-.256	-2.737	.007
(X_2)	-.059	.048	-.108	-1.231	.221
(X_3)	.897	.166	.506	5.394	.000

a. Dependent Variable: CETR (Y)

Source: Data Processing Results, 2019

Hypothesis Testing (H_1)

Known sig. value for enterprise size influence (X_1) against CETR (Y) is $0.007 < 0.05$ and t value count $-2.737 > t$ table -1.97669 , so it can be concluded that H_1 accepted there is an X_1 effect on Y.

Hypothesis Testing (H_2)

Known sig. value for the effect of sales growth (X_2) on CETR (Y) is $0.221 > 0.05$ and t value count $-1.231 < t$ table -1.97669 , so it can be concluded that H_2 in reject has no X_2 effect on Y.

Hypothesis Testing (H₃)

Known sig. value for DAR influence (X₃) on CETR (Y) is $0.000 < 0.05$, and t value count $5,394 > t$ table 1.97669, so it can be concluded that H₃ is accepted there is an X₃ effect on Y.

Simultaneously Regression Coefficient Testing (F Test)

Table 7 F Test Results

ANOVA ^a					
Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	1.741	3	.580	10.858	.000 ^b
Residual	5.291	99	.053		
Total	7.032	102			

a. Dependent Variable: CETR (Y)

b. Predictors: (Constant), DAR (X₃), Sales Growth (X₂), Company Size (X₁)

Source: Data Processing Results, 2019

Based on the table above known the signification value for the influence of the company size (X₁), sales growth (X₂) and leverage (X₃) simultaneously against tax CETR (Y) is $0.000 < 0.05$ and the value of F calculates $10,858 > F$ table 2.67, so it can be concluded that H₃ is accepted which means there is an influence of X₁, X₂ and X₃ simultaneously on Y.

Determination Coefficient Testing (R²)

Table 8 Determination Coefficient Test Results

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.498 ^a	.248	.225	.23118	1.380

a. Predictors: (Constant), Leverage X₃, Sales Growth X₂, Company Size X₁

b. Dependent Variable: CETR

Source: Data Processing Results, 2019

Based on the test results of the above determination coefficient, the value of Adjusted R square is 0.225 or 22.5%. This means an independent variable influence contribution to dependent variables of 22.5% while 77.5% is explained by other variables not contained in this study.

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DESCRIPTION

The Effect of The Company's Size on Tax Avoidance on Property sub-sectors and real estate companies registered in IDX for the period 2012-2018

Based on the test results conducted by researchers, the size of the company with the natural logarithm proxies of total assets affects tax avoidance with CETR proxies. This is evidenced by the larger the size of the company then the value of CETR will decrease this means the higher the tax avoidance practice. This indicates that the size of the company affects CETR.

Large-scale companies have large assets as well, making them more capable and more stable to make a profit when compared to companies with small total assets. Large and stable profits will likely encourage companies to practice tax avoidance. This condition leads to an increase in the amount of tax burden that encourages companies to commit tax avoidance. Large companies have superior resource quality compared to small companies. Expert resources in taxation are used by corporate management in doing the best possible tax planning to minimize the corporate tax burden. Small-scale companies cannot manage their tax burden optimally because of experts in the field of minimal taxation.

The results of this research are in line with tLestari,et al (2018), Dewi and Noviri (2017), Musyarofah (2016) and Fadhilah (2017) which found that the Size of the Company affects CETR.

Effect of Sales Growth on Tax Avoidance on Property sub-sector and real estate companies registered in IDX period 2012-2018

Based on the test results conducted by researchers, sales growth has no effect on tax avoidance with CETR proxies. This is evidenced by the value of sig. for the effect of sales growth (X2) on CETR (Y) is $0.221 > 0.05$ and the t-count value is $-1,231 < t \text{ table } -1.97669$. This indicates that sales growth has no effect on CETR.

The company's sales growth does not affect the company's decision to conduct tax avoidance because companies with increased or declining sales growth have the same obligation to pay taxes. In addition, the Company will continue to avoid tax despite low sales growth. This is because the company wants to minimize the tax burden to earn a bigger profit.

The results of this research are in line with Cahyana (2019) and Turyatini (2017) which found that sales growth had no effect on CETR.

Effect of the Leverage on Tax Avoidance on Property Sub-Sector companies and Real Estate Registered in IDX period 2012 -2018

Based on the test results conducted by researchers, leverage with debt to asset ratio (DAR) proxy affects tax avoidance with CETR proxy. This is evidenced by the value of sig. for leverage influence (X3) against CETR (Y) is $0.000 < 0.05$ and the calculated t value is $5,394 > t \text{ table } 1,996$. This indicates that the greater the value of the company's DAR then the higher the value of CETR, this means the lower the level of tax avoidance practices. This indicates that leverage affects CETR.

The company with a high DAR value describes that the company uses its debt to finance its operational activities that will bring about the interest expense as a result the profit earned by the company will be reduced so that the tax to be paid by the company will be reduced as well or will be lower so that it does not intentionally conduct tax avoidance practices. The low tax burden will have an impact on the decline in tax avoidance efforts. According to Noor (2010) in Dewinta and Setiawan (2016) which

explains that companies with more debt have a good effective tax rate, this means that with a large amount of debt, companies to do tax avoidance will tend to be lower.

The results of this research are in line with Nafis, et al (2017), Wijayanti and Merkusiwati (2017) which found that Leverage affects CETR.

Effect of Company Size, Sales Growth and Leverage on Tax Avoidance in Property and Real Estate Sub-Sector Companies Registered in IDX period 2012-2018

Based on the results of tests conducted by researchers found that, the Size of the Company, Sales Growth and Leverage have a simultaneous effect on CETR. This is evidenced by the signification value for the influence of the company size (X1), sales growth (X2) and leverage (X3) simultaneously against CETR (Y) is $0.000 < 0.05$ and the value of F calculates $10,858 > F$ table 2.67.

Large companies' size with high sales growth rates will be bolder to make loans to third parties, because these companies feel able to repay loans and also third parties believe if lending to companies grouped by large companies is certainly more able in generating profit, because it sees good company performance. If the company owes more, it will incur the interest expense paid by the company. Where interest expense can be used as a deduction of taxable profit stipulated in Law No. 36 of 2008 article 6, paragraph 1 thereby reducing the payment of tax expense.

Hasil penelitian ini sejalan dengan penelitian Nafis, dkk (2017) menemukan Ukuran Perusahaan, Pertumbuhan Penjualan dan *Leverage* berpengaruh secara bersama-sama terhadap *Tax Avoidance*.

The results of this research are in line with Nafis, et al (2017) found the Size of the Company, Sales Growth and Leverage have a joint effect on Tax Avoidance.

CONCLUSIONS AND SUGGESTIONS

CONCLUSIONS

Based on data analysis and the discussion that has been done regarding the influence of company size, sales growth and leverage on tax avoidance in property and real estate companies listed on the IDX in 2012-2018, here are some conclusions that the authors can draw from the results of this study:

1. The Size of the Company affects CETR. This indicates the size of the company can be an indicator in doing tax avoidance. Property and real estate companies use assets for operational activities to increase the company's profits in order to become a grouped company into a large company. So it has the quality of expert resources in taxation used by the management of companies to conduct tax avoidance.
2. Sales growth has no effect on CETR. This indicates sales growth cannot be an indicator in tax avoidance. Companies with increased and declining sales growth will continue to do tax avoidance. This is because the company wants to minimize the tax burden to earn a bigger profit.
3. Leverage affects CETR. This indicates leverage can be an indicator in tax avoidance. The average leverage on property and real estate companies uses debt for operational activities to increase the company's profits, which will incur an interest expense to be paid. So as to reduce the corporate tax burden then inadvertently conduct tax avoidance practices.
4. Company size, sales growth and leverage affect CETR. With these results, property and real estate companies take advantage of tax avoidance techniques to reduce the tax burden that companies have to pay, with several factors affecting total assets, sales growth and debt.

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SUGGESTIONS

The suggestion that can be conveyed regarding or related to this research is as follows:

1. For practitioners it is expected that the results of this study can be developed to solve problems related to tax avoidance in the company. And it is hoped that companies grouped into large corporations can do better tax planning.
2. For academics are expected to further research into other issues, that could affect tax avoidance. It is also expected to add other variables that could affect tax avoidance such as independent commissioners, DER, audit committees and transfer pricing.

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