The Effect Of Leverage, Capital Intensity, And Sales Growth On Tax Avoidance With Independent Commissioners As Moderating Variables (Empirical Study On Manufacturing Companies Listed On The Indonesia Stock Exchange In 2017-2020)

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***Abstract**.*

This study aims to determine the effect of leverage, capital intensity and sales growth on tax avoidance with independent commissioners as moderating variables. The independent variables in this study are leverage, capital intensity, and sales growth. The dependent variable in this study is tax avoidance. The moderating variable in this study is the independent commissioner. The population in this study are manufacturing companies listed on the Indonesia Stock Exchange in the 2017-2020 period. The sampling method used was purposive sampling and 53 companies were selected with a total sample of 212 research data. The analytical technique used is Moderated Regression Analysis (MRA) with SPSSv25 software. The results of this study indicate that leverage has a positive effect on tax avoidance, capital intensity has no effect on tax avoidance, sales growth has a positive effect on tax avoidance, the moderating variable of independent commissioners is unable to moderate the effect of leverage, capital intensity and sales growth on tax avoidance.

Keyword: *Leverage, Capital Intensity, Sales Growth, Independent Commissioner, Tax Avoidance.*

I. INTRODUCTION

Taxes are the most potential source of state revenue to increase the country's economic growth and are used to finance infrastructure development, education, social assistance, public facilities, and state activities that are used for the interests and welfare of the people. This is evidence that tax revenue is very reliable in state revenue. Therefore, every taxpayer needs to understand how important taxes are for the state and be aware of their obligations in tax administration (Meilia and Adnan, 2017). According to Diantari and Ulupui (2016), the parties that contribute significantly to tax sector revenues are entities or companies. As noted in previous years, the structure of Indonesia's tax revenue is dominated by corporate tax or corporate income tax which reached 32.2 percent of total tax revenue (Wildan, 2021). However, companies often assume that taxes are a burdensome burden and can reduce company profits. Taxes that do not provide benefits, rewards or direct feedback are one of the causes of company displeasure as taxpayers to pay taxes to the government. This makes companies sometimes find it difficult to pay taxes and create a desire to minimize their tax payments in the hope of obtaining maximum profits, both legally and illegally (Ainniyya et al, 2021).

Efforts made by taxpayers, especially corporations, in minimizing their tax burden are tax avoidance (Darsani and Sukartha, 2021). Tax avoidance is a legal (lawful) method used by companies to minimize their tax burden (Xynas, 2011).

One of the cases of tax avoidance in Indonesia was carried out by a manufacturing company listed on the IDX, namely PT. Bentoel Internasional Investama Tbk. This case stems from the 2019 Tax Justice Network agency report that PT. Bentoel Internasional Investama Tbk, which is a subsidiary of British American Tobacco (BAT) in Indonesia, practices tax avoidance. The report announced that PT. Bentoel has interest payments on loans between companies in the same group and payments for royalties, fees and IT fees. Based on the description of the schemes carried out by PT. Bentoel Indonesia has the potential to lose tax revenue with a total of 14 million dollars per year (Prima, 2019). The indications that the company is doing tax avoidance can be seen from the funding policies taken by the company. One of the funding policies is the leverage policy. Leverage is the level of debt used by the company in financing its operating activities (Ariska et al, 2020). These results are in line with the research of Kim and Im (2017) which shows that leverage has a positive effect on tax avoidance, while the results of Salawu & Adedeji's research (2017) show that leverage has a negative effect on tax avoidance. However, the results of Sari et al (2020) show that leverage has no effect on tax avoidance. The next factor after leverage that can affect the practice of tax avoidance is capital intensity. Capital intensity or capital intensity ratio is a ratio that shows the amount of company capital invested in fixed assets (Wiguna and Jati, 2017). Fixed assets owned by the company each year can cause depreciation costs. The more the company invests in fixed assets, the more the company bears depreciation costs. Depreciation is an expense that can reduce income in tax calculations. Companies can minimize their tax burden by taking advantage of depreciation attached to fixed assets in the company (Sinaga and Suardhika, 2019). Previous research conducted by Riberio et al (2015) showed the results that capital intensity had an effect on tax avoidance. Meanwhile, research conducted by Jusman and Nosita (2020), Wiguna and Jati (2017) states that capital intensity has no effect on tax avoidance.

According to Harahap (2021), another factor that can affect tax avoidance is sales growth. The company's sales may decrease or increase. Increased sales growth will make the company get a big profit. This causes the company's tax burden to be even greater, thus encouraging companies to practice tax avoidance (Oktamawati, 2017).

The results of research conducted by Purwanti and Sugiarti (2017) prove that sales growth has an effect on tax avoidance. In contrast to the results of research conducted by Astuti et al (2020) shows that sales growth has no effect on tax avoidance. In addition to leverage, capital intensity and sales growth, there are other factors that can affect tax avoidance, one of which is independent commissioners. This study uses an independent commissioner as a moderating variable. Based on agency theory, independent commissioners are expected to be able to suppress tax avoidance practices so that there is no information asymmetry that often occurs between company owners (principals) and company management (agents). This means that independent commissioners can weaken the relationship of leverage, capital intensity and sales growth to tax avoidance. Because many independent commissioners in a company are able to supervise and control opportunistic behavior that may be carried out by managers (Aburajab et al, 2019). The existence of independent commissioners is able to suppress the practice of tax avoidance, this is evident from the research of Salhi et al (2020), Ariawan and Setiawan (2017), Omesi and Appah (2021) that independent commissioners have a negative effect on tax avoidance. Many studies on tax avoidance have been carried out, but there are still inconsistencies in the results of previous studies on the factors that influence tax avoidance.

II. LITERATURE REVIEW

Agency Theory

The concept of agency theory according to Jensen and Meckling (1976) in Gozhali (2020) that there is a contractual relationship between the owner of the company (principal) and the manager of the company or management (agent). Sometimes there are two different interests in a company where this is a conflict of interest or conflict of interest. So it is likely that the agent does not always act in the best interests of the principal. Rahmayani (2021) explains that agency conflicts can occur due to an information asymmetry or commonly called information asymmetry owned by managers and company owners. This is because managers know more information about the company that is not owned by the owner of the company. Managers as human beings are likely to act based on opportunistic traits, namely prioritizing their own interests (Tanjaya and Nazir, 2021). One of the opportunistic actions taken by managers is by manipulating the tax burden borne by lowering the company's taxable income. This is done by the manager as an agent so that the company gets the maximum profit so that the manager will get a big reward as well (Khoirunissa and

Ratnawati, 2021). This action triggers the practice of tax avoidance, because the company's profit is the main indicator of the success of a manager's performance in running the company.

Tax Avoidance

Jacob (2014) explains that various ways are carried out by companies to minimize or reduce the tax burden which does not violate tax rules or is often called tax avoidance. According to Lim (2011) tax avoidance is defined as tax savings arising from the utilization of tax provisions so that it is legal to do and can minimize, reduce or alleviate the company's tax obligations.

Leverage

Leverage is a ratio used to measure the company's ability to meet its obligations, both short-term and long-term (Ainniyya et al, 2021). Leverage is related to company financing, whether the company is mostly financed by debt or capital from shareholders. If the level of leverage in a company is higher, it means that the company has a high level of dependence on external loans in financing the operating activities of a company, then the risk borne by the company will be even greater.

Capital Intensity

Capital intensity is a form of financial decision that is decided by the company's management in order to increase profits (Siboro and Santoso, 2021). Capital intensity or capital intensity reflects the amount of capital embedded in the form of fixed assets and inventories owned by the company. Fixed assets refer to tangible assets purchased in ready-to-use form, in this case including buildings, factories, equipment, machinery, and various other properties that are intended for use in the company's operations and not for sale in the normal activities of the company, and have a useful life of more than than one year (Purwanti and Sugiyarti, 2017).

Sales Growth

Sales growth or sales growth is one of the growth ratios that is useful for measuring the company's sales performance and as an indicator that can show the development of a company's sales level from period to period (Arasteh, 2013).

Independent Commissioner

An independent commissioner is a commissioner who comes from outside the issuer or public company and fulfills the requirements as an independent commissioner as referred to in the OJK Regulation which is then appointed based on the decision of the General Meeting of Shareholders (GMS). Independent commissioners are required not to have a relationship with the board of directors or shareholders that could affect their ability to act independently (Ariawan and Setiawan, 2017).

Hyphotesis

Effect of Leverage on Tax Avoidance

Based on agency theory, the contractual relationship between principal and agent can cause problems because of the information asymmetry that occurs. One of the consequences of information asymmetry is the company's management, namely the agent has the aim of minimizing the company's tax burden by maximizing the use of leverage within the company. In accordance with Article 6 Paragraph 1 of Law Number 36 of 2008 concerning Income Tax, where loan interest is a deductible expense so that it can reduce the company's taxable profit. This reduced taxable profit will ultimately minimize the amount of tax that should be paid by the company (Dewi and Noviari, 2017).

Effect of Capital Intensity on Tax Avoidance

Based on agency theory, the delegation of authority from the principal to the agent creates information asymmetry. This shows that the management as an agent has the authority to determine the investment policies carried out by the company. agents will take advantage of investments in fixed assets because there are depreciation costs that can be used to minimize the amount of corporate tax (Widodo and Wulandari, 2021). So this assumes that companies with high asset levels will have a lower tax burden and this will be utilized by companies that have high fixed assets as an effort to avoid tax compared to companies that have low fixed assets.

Effect *Sales Growth* on *Tax Avoidance*

The greater the sales volume of a company indicates that there is an increase in the company's management performance so that sales growth will also increase. Increasing sales growth can affect the company's profits generated will be even greater, this shows that the taxes that must be paid by the company will also become greater so that companies tend to practice tax avoidance in order to minimize corporate taxes that should be paid (Baroroh and Apriyanti , 2020).

Effect of Leverage on Tax Avoidance with Independent Commissioner as a moderating variable

Efforts made by the management of companies that have self-interest in minimizing corporate tax payments are through the use of debt as financing in their operating activities, because the use of debt will cause costs that are deductible expenses so as to reduce the company's taxable profit and be able to reduce the tax burden. company (Khoirunnisa and Ratnawati, 2021). This can be utilized by management as an effort to tax avoidance, so that the existence of independent commissioners is expected to be able to reduce opportunistic actions that may be carried out by management who have self-interest in which the company's management is concerned with itself. (Kushariadi and Putra, 2018).

Effect of Capital Intensity on Tax Avoidance with Independent Commissioner as a moderating variable

The greater the proportion of independent commissioners can affect the performance of company management related to reporting the company's tax burden fairly, which means that the supervision carried out by independent commissioners is going well so that the practice of tax avoidance is carried out by the management of companies that have a self-interested nature. utilizing the depreciation attached to the use of fixed assets can be minimized (Asri and Suardana, 2016).

Effect of Sales Growth on Tax Avoidance with Independent Commissioner as moderating variable

Supported by agency theory, in connection with the opportunistic behavior of managers as agents who also have self-interest properties where these properties reflect that agents are more concerned with themselves and will try to regulate the company's tax burden in such a way as not to reduce compensation or rewards for the agent's performance as a result of company profits that increase every year (Putri et al, 2021). Therefore, the existence of an independent commissioner in a company is very necessary so that the management (agent) can act in the interests of the principal. The more independent commissioners in a company, it is hoped that management performance monitoring will be more effective so as to minimize tax avoidance practices (Kusufiyah and Anggraini, 2019).

III. METHODS

This research is a quantitative research. The source of data used in this study is secondary data, namely financial statement data and annual reports obtained from the official website of the Indonesia Stock Exchange, namely www.idx.go.id or from the official website of each company.

The population in this study are all manufacturing companies listed on the Indonesia Stock Exchange (IDX) 2017-2020. Sampling in this study used a purposive sampling technique by using certain criteria that must be met by the company in order to be used as a sample.

The research data that has been collected will be analyzed through several stages of testing, namely descriptive statistics. Then the classical assumption test is carried out to test the feasibility of the regression model which will then be used to test the research hypothesis by using multiple linear regression data analysis models with Moderated Regression Analysis (MRA). Data processing in this study uses a statistical program known as SPSS (Statistical Product and Service Solutions) version 25.

Research variable

Dependent variable, Tax avoidance is measured by using the Cash Effective Tax Rate (CETR). The CETR formula is as follows:

$$\mathbf{CETR} = \frac{\textbf{Income Tax Payment}}{\textbf{Profit before tax}}$$

The Independent Variable, Leverage is measured using the Debt to Asset Ratio (DAR). The DAR formula is as follows:

$$\mathbf{DAR} = \frac{\textbf{Total Liability}}{\textbf{Total Asset}}$$

Capital intensity is measured by using the ratio of the intensity of fixed assets. The formula for capital intensity is as follows:

$$\mathbf{CI} = \frac{\textbf{Tottal Asset Tetap}}{\textbf{Tottal Asset}}$$

The sales growth formula is as follows:

$$\mathbf{SG} = \frac{\textbf{Sales}_{t} - \textbf{Sales}_{t-1}}{\textbf{Sales}_{t-1}}$$

Where :

$Sales_t$ = Current year's sales

$Sales_{t-1}$ = Previous year's sales

Moderation variable, independent commissioner is calculated by the number of independent commissioners to the number of members of the board of commissioners in the company. The formula for independent commissioners is as follows:

$$\mathbf{KI} = \frac{\textbf{Total Independent Commissioner}}{\textbf{Total Board Members}}$$

III. RESULT AND DISCUSSION

Sample Overview

The population in this study are manufacturing companies listed on the Indonesia Stock Exchange (IDX) during 2017-2020. The year 2017-2020 was taken on the grounds that the data for that year was relatively recent data. The final sample of this study was 53 companies in 4 years of observation so that the total number of samples was 212 observations.

Analysis Statistik Descriptive

Descriptive statistics provide an overview or description of a data seen from the average value (mean), standard deviation, maximum, minimum, of each variable, (Ghozali, 2019). The variables used include leverage (LEV), capital intensity (CI), sales growth (SG), tax avoidance (TA), independent commissioners (KI). The following is a table of descriptive statistical test results:

Table 1. Descriptive Statistical Analysis

	N	Minimum	Maksimum	Mean	Std. Deviation
LEV	212	0,08	0,85	0,3568	0,17202
CI	212	0,04	0,78	0,4179	0,18135
SG	212	-1,00	0,56	0,0514	0,16864
TA	212	0,00	0,89	0,2708	0,14614
KI	212	0,30	0,83	0,4213	0,10874

Normality Test

The results of the classical assumption test carried out, all of them provide results that meet the feasibility test of the multiple regression model. The results of the normality test using the Kolmogorov-Smirnov test (K-S test) are as follows:

Table 2. Normality Test Result

	Unstandardized Residual	**Ket**
N	212	Normal
Asymp. Sig. (2-tailed)	0,052	

Multicollonearity Test

The results of the multicollinearity test by looking at the Tolerance and VIF (variance inflation factor) values show that there is no multicollinearity because the tolerance value is > 0.1 and the VIF value is < 10. The results of the multicollinearity test can be seen in the following table:

Table 3. Multicollinearity Test Result

Variabel	***Tolerance***	**VIF**	**Ket**
LEV	0,936	1,069	No multicollinearity
CI	0,967	1,034	
SG	0,981	1,020	
KI	0,951	1,051	

Autocorrelation Test

The results of the autocorrelation test using the Run Test showed that there were no symptoms of autocorrelation.

Table 4. Autocoreelation Test Result

	Unstandardized Residual	**Ket**
Asymp. Sig. (2-tailed)	0,568	No autocolleralition

Heteroscedasticity Test

The results of the heteroscedasticity test using the Glejser test showed that there was no heteroscedasticity.

Table 5. Heteroscedasticity Test Result

Variabel	**Sig.**
LEV	0,922
CI	0,634
SG	0,203
KI	0,499
Dependent Variable: ABS_RES	

Model Feasibility Test (*Goodness of Fit*)

Coefficient of Determination Test (R2)

The results of the coefficient of determination can be seen in the following table:

Table 6. Coefficient of Determination Test Results Model I

Model	**R**	**R *Square***	***Adjusted R***	***Std. Error of the***

			Square	*Estimate*
1	.219[a]	.068	.054	.14363

Based on Table 6, the value of the coefficient of determination can be seen from the Adjusted R Square value of 0.054 or equal to 5.4% which means that the independent variables in the form of leverage, capital intensity, and sales growth affect tax avoidance by 5.4%, while the remaining 94, 6% is influenced by other variables not examined in this study. The results of the coefficient of determination test for model II are presented in the following table:

Table 7. Coefficient of Determination Test Results Model II

Model	**R**	**R *Square***	***Adjusted R Square***	***Std. Error of the Estimate***
1	0,286[a]	0,082	0,080	0,14242

Based on Table 7 the value of the coefficient of determination can be seen from the Adjusted R Square value of 0.080 or equal to 8% which means that the independent variables in the form of leverage, capital intensity, and sales growth moderated by the independent commissioner affect the dependent variable in the form of tax avoidance by 8%, while the remaining 92% is influenced by other variables not examined in this study.

F Test

The results of the F significance test can be seen in the following table:

Table 8. F Test Results Model I

	F	**Sig.**
Dependen: TA	3,483	0,017
Sig * 0,05		

Based on Table 8, it is known that the Fcount value is 3.483, and Ftable is 2.65 with a significance value of 0.017. Fcount 3.483 is greater than Ftable 2.65 and the significance value is less than 0.05 (5%). So it can be concluded that the independent variables leverage (LEV), capital intensity (CI), sales growth (SG) together affect tax avoidance.

Tabel 9. F Test Results Model II

	F	**Sig.**
Dependen: TA	2,593	0,014
Sig * 0,05		

Based on Table 9, it is known that the Fcount value is 2.593, and Ftable is 2.42 with a significance value of 0.014. Fcount 2.593 is greater than Ftable 2.14 and the significance value is less than 0.05 (5%). So it can be concluded that the independent variables leverage (LEV), capital intensity (CI), sales growth (SG) and independent commissioners (KI) together affect tax avoidance.

T Test

The results of the t significance test can be seen in the following table:

Table 10. T Test Results Model I

Model	**B**	**Prediksi Arah**	**t-Statistics**	**Sig.**	**Ket**
(Constant)	0,277		9,208	0,000	
LEV	0,078	Positif	1,325	0,187	Not Significcant

CI	-0,060	Negatif	-1,067	0,287	Not Significcant
SG	0,167	Positif	2,832	0,005	Significcant
Sig ** 0,05 (5%)					

Based on the results of the t test in Table 10, the significance value of leverage is 0.187 > 0.05. So it can be concluded that leverage has no effect on tax avoidance partially. Thus it can be said that H1 is rejected.

The capital intensity variable has a significance value of 0.287 > 0.05. So it can be concluded that capital intensity has no effect on tax avoidance partially. Thus it can be said that H2 is rejected.

The sales growth variable has a significance value of 0.005 > 0.05. So it can be concluded that sales growth has a significant positive effect on tax avoidance partially. Thus it can be said that H3 is accepted.

Table 10. T Test Results Model II

Model	B	Prediksi Arah	t-Statistics	Sig.	Ket
(Constant)	-0,085		-0,607	0,545	
LEV	0,258	Positif	1,236	0,218	Not Significcant
CI	0,445	Positif	1,722	0,087	Not Significcant
SG	0,136	Positif	0,496	0,621	Not Significcant
KI	0,856	Positif	2,659	0,008	Significcant
LEV*KI	-0,397	Negatif	-0,808	0,420	Not Significcant
CI*KI	-0,197	Negatif	-1,959	0,052	Not Significcant
SG*KI	-0,787	Negatif	-1,163	0,246	Not Significcant
Sig ** 0,05 (5%)					

The leverage variable with independent commissioners (LEV*KI) has a significance value of 0.420 <0.05. So it can be concluded that the interaction of leverage with independent commissioners has an insignificant negative effect on tax avoidance. Thus it can be said that H4 is rejected.

The variable capital intensity with independent commissioners (CI*KI) has a significance value of 0.052 <0.05. So it can be concluded that the interaction of capital intensity with independent commissioners has an insignificant negative effect on tax avoidance. Thus it can be said that H5 is rejected.

Sales growth variable with independent commissioner (SG*KI) has a significance value of 0.246 <0.05. So it can be concluded that the interaction of sales growth with independent commissioners has an insignificant negative effect on tax avoidance. Thus it can be said that H6 is rejected.

Multiple Regression Analysis with *Moderated Regression Analysis* (MRA)

Hypothesis testing in this study was carried out by looking at the significance value of each independent variable resulting from the regression analysis. The results of the regression analysis can be seen in the following table:

Table 11. Multiple Regression Analysis with MRA (*Moderated Regression Analysis*) (Model 1)

Model	B	Prediksi Arah	t-Statistics	Sig.	Ket
(Constant)	0,277		9,208	0,000	
LEV	0,078	Positif	1,325	0,187	Not Significcant
CI	-0,060	Negatif	-1,067	0,287	Not Significcant
SG	0,167	Positif	2,832	0,005	Significcant

Sig ** 0,05 (5%)					

Based on the regression results in Table 11, the following regression equation can be arranged:

TA = 0.277 + 0.078 LEV – 0.060 CI + 0.167 SG

Table 12. Multiple Regression Analysis with MRA (*Moderated Regression Analysis*) (Model II)

Model	B	Prediksi Arah	t-Statistics	Sig.	Ket
(Constant)	-0,085		-0,607	0,545	
LEV	0,258	Positif	1,236	0,218	Not Significcant
CI	0,445	Positif	1,722	0,087	Not Significcant
SG	0,136	Positif	0,496	0,621	Not Significcant
KI	0,856	Positif	2,659	0,008	Signifikan
LEV*KI	-0,397	Negatif	-0,808	0,420	Not Significcant
CI*KI	-0,197	Negatif	-1,959	0,052	Not Significcant
SG*KI	-0,787	Negatif	-1,163	0,246	Not Significcant
Sig ** 0,05 (5%)					

Based on the regression results in Table 12, the Moderated Regression Analysis (MRA) equation formed is as follows:

TA = -0,085 + 0.258 LEV + 0.445 CI + 0.136 SG + 0.856 KI – 0.397 LEV*KI + 0.197 CI*KI – 0.787 SG*KI + *e*

Discussion

The Effect of Leverage on Tax Avoidance

The purpose of the first hypothesis (H1) is to find out whether there is an effect of leverage on the company's tax avoidance. The test results show that the first hypothesis (H1) is rejected, meaning that leverage has no effect on tax avoidance. The results of this hypothesis mean that the level of corporate leverage measured using DAR has no effect on the existence of tax avoidance practices in manufacturing companies. This study is in line with the results of research conducted by Suciarti et al (2020) which states that leverage has no effect on tax avoidance.

Effect of Capital Intensity on Tax Avoidance

The purpose of the second hypothesis (H2) is to find out whether there is an effect of capital intensity on the company's tax avoidance. The test results show that the second hypothesis (H2) is rejected, meaning that capital intensity has no effect on tax avoidance because it shows insignificant results. The results of this hypothesis mean that the practice of tax avoidance in manufacturing companies is not influenced by the amount of fixed assets owned by the company. This study is in line with the results of research conducted by Faradisty et al (2019) which states that capital intensity has no effect on tax avoidance.

Effect of Sales Growth on Tax Avoidance

The results of testing the third hypothesis (H3) show that sales growth has a positive effect on tax avoidance. This means that the third hypothesis (H3) is accepted. The results of this hypothesis mean that the higher the sales growth of a manufacturing company means that the company has good performance and the company's profits tend to increase, then the tax avoidance action in a company will also be higher. This study is in line with the results of research conducted by Purwanti and Sugiarti (2017) which states that sales growth has a positive effect on tax avoidance.

Independent Commissioner Moderates the Effect of Leverage on Tax Avoidance

The results of testing the fourth hypothesis (H4) show that the independent commissioner does not moderate the effect of leverage on tax avoidance. The test results show that the fourth hypothesis (H4) is rejected. The results of this test mean that the independent commissioner is not a moderating variable between leverage and tax avoidance, so the independent commissioner cannot moderate the relationship between the two. Whether or not the number of independent commissioners is large, it is not able to strengthen or weaken the effect of leverage on tax avoidance. This means that independent commissioners are not able to influence the leverage policy taken by the company's management.

Independent Commissioner Moderates Effect of Capital Intensity on Tax Avoidance

The results of testing the fifth hypothesis (H5) show that the independent commissioner does not moderate the effect of capital intensity on tax avoidance. The test results show the fifth hypothesis (H5) is rejected. The results of this test mean that the independent commissioner is not a moderating variable between capital intensity and tax avoidance, so the independent commissioner cannot moderate the relationship between the two. Whether or not the number of independent commissioners is large, it is not able to strengthen or weaken the effect of capital intensity on tax avoidance. This means that the number of independent commissioners in the company does not affect the actions of companies that utilize the use of fixed assets as a tax avoidance effort.

Independent Commissioner Moderates Effect of Sales Growth on Tax Avoidance

The results of testing the sixth hypothesis (H6) show that the independent commissioner does not moderate the effect of capital intensity on tax avoidance. The test results show that the sixth hypothesis (H6) is rejected. The results of this test mean that the independent commissioner is not a moderating variable between sales growth and tax avoidance, so the independent commissioner cannot moderate the relationship between the two. Whether the number of independent commissioners is large or not is not able to strengthen or weaken the influence of sales growth on tax avoidance. The independent commissioner cannot control the high sales growth and profit and loss of the company, considering that the function and responsibility of the independent commissioner is only to supervise and monitor the performance of the company's management.

IV. CONCLUSION

Based on the discussion of the results of the research that has been carried out, the following conclusions are obtained:

1. leverage has no effect on tax avoidance.
2. Capital intensity has no effect on tax avoidance.
3. Sales growth has a positive effect on tax avoidance.
4. Independent commissioners cannot moderate the effect of leverage on tax avoidance.
5. Independent commissioners cannot moderate the effect of capital intensity on tax avoidance.
6. Independent commissioners cannot moderate the effect of sales growth on tax avoidance.

Suggestion

Based on the results of the research and analysis that has been done, here are some suggestions for future research so that it can be even better, including:

1. The company is expected to be able to publish a complete and timely annual report. This aims to increase the number of samples of companies studied, and not be eliminated due to purposive sampling, so that the research results will be stronger.
2. Further research is expected to add other variables and use other proxies from corporate governance mechanisms such as audit quality, institutional ownership and others as moderating variables.
3. Expected to increase the number of samples of companies in the study. This can be done by trying to increase the period to be studied and replace other types of industry in the sample company.

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