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# Commissioner Independent as Moderation The Relationship of Tax Avoidance and Tax Risk To Firm Value

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***ABSTRACT***
*The aim of this research is to determine Tax Avoidance And Tax Risk On Firm Value With Independent Commissioners As Moderation in non-cyclical consumer companies listed on the Indonesia Stock Exchange. This research is expected to prove the role of independent commissioners in increasing company value through tax avoidance and tax risk. The type of research used is quantitative research. The population used in this research is 113 non-cyclical consumer companies listed on the Indonesia Stock Exchange from 2018 to 2022. Sample selection used a purposive sampling method and 31 data were selected as research samples. This research uses panel data regression analysis and hypothesis testing. The analytical tool for testing hypotheses by EViews version 10. Based on the results of simultaneous hypothesis testing (f test), tax avoidance and tax risk jointly have a significant effect on firm value and partially (t test), it shows that tax avoidance and tax risk influence firm value. And independent commissioners are able to moderate the relationship between tax avoidance and tax risk on firm value.*
***Keywords**: Tax Avoidance, Tax Risk, Company Value, Commissioner Independent*
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## 1. INTRODUCTION

The existence of capital markets in modern times cannot be denied as an alternative source of funding for companies other than through banking in Indonesia. In the capital market, companies as issuers can sell their shares to investors who want to buy them. Of course, these investors must plan and consider carefully where they choose to invest so that the invested capital achieves the expected profits. Companies that have gone public must of course also maintain the company's performance in order to obtain excellent value for investors to invest their capital. The higher the share price, the higher the company value and vice versa. Company value is investors' perception of the level of success of managers in managing entrusted company resources which is often linked to share prices. (Agustina, 2020).

Tax avoidance is something that affects company value. Tax avoidance is an effort to reduce the tax burden without violating the law. Even though taxes are considered beneficial for the business world, efforts to avoid taxes are generally not profitable. Tax evasion is different from tax evasion, tax evasion involves reducing or eliminating the tax burden by unlawful means. (Barli, 2018). As in research conducted by (Arfiansyah, 2021), Tax Avoidance has a positive effect on Company Value, but this is different from research (Rajab, Taqiyyah, Fitriyani, & Amalia, 2022) which shows that Tax Avoidance has no significant effect on Company Value.

Apart from tax avoidance, tax risk also affects company value. Tax avoidance is not related to business risk, but tax avoidance reflects the risk in large-scale businesses and tax avoidance will increase the risk that investors must bear, this can increase uncertainty regarding their investments, causing an increase in the number of investors. rate of cost of equity capital. (Firmansyah & Febriyanto, 2018). Tax risk cannot offset the Company's risk because it



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can be caused by external factors of the company. Companies that receive incentives or do not avoid taxes do not increase or reduce the company's risk. Researchers added that tax avoidance does not affect bankruptcy in companies with low levels of tax avoidance, but increases the risk of bankruptcy in companies with high levels of tax avoidance, especially companies with low tax risk. (Dhawan et al., 2020). As in research conducted by (Drake, Lusch, & Stekelberg, 2019), tax risk has a positive effect on company value, but this is different from research (Arfiansyah, 2021) which shows that tax risk does not have a significant effect on company value.

In order to maintain good corporate governance, independent commissioners are also suspected of influencing company value. Three functions are carried out by independent directors or commissioners, namely the function of supervising transactions with related parties where there is a conflict of interest in the transaction, protecting minority shareholders from exploitation by majority shareholders and acting as a consultant because of their experience outside the company. Like research conducted by (Rahmawati, 2021), Tax Avoidance has a positive effect on Company Value, but this is different from research (Puspa, Chomsatu, & Siddi, 2021) which shows that Tax Avoidance has no significant effect on Company Value.

## 2. LITERATURE REVIEW

Agency theory is a theory that emerged because of a conflict of interest between the principal and the agent. The principal is the shareholder while the agent is the manager. The principal contracts an agent to manage resources within the company. The main aim of agency theory is to explain how parties entering into a contractual relationship can design contracts with the aim of minimizing costs as a result of asymmetric information (Utami, D. R., & Evana, E. (2020). Agency theory assumes that each individual is solely motivated by their own interests, giving rise to a conflict of interest between the principal and the agent. This agency relationship carries the risk that the agent does not always act in the best interests of the company, because each party tries to maximize its own profits. The main thing in the separation between owners and management is the emergence of information asymmetry (Eisenhardt, 1989). Because tax decisions are management decisions, tax avoidance is management's attempt to control after-tax profits or hide bad news.

Company value is investors' perception of the company's level of success which is often linked to share prices (Sujono & Soebiantoro, 2007). According to Dewanti, M. P. R. P., & Djajadikerta, H. (2018).ompany value is market value. Market value is used because company value can provide maximum shareholder prosperity if the company's share price increases. From this it can be concluded that the value of the company can be read from the company's share price. High share prices also increase company value. The high value of a company makes the market believe in the company's performance, thereby influencing the company's value.

According to (Yusmaniarti et al., 2020) company value is a value that must be maintained and maintained by a company. Company value is a certain condition that the company has achieved as an illustration of public trust in the company. Company value can be measured by the value of share prices in the market, based on the formation of share prices in the market which is a reflection of the public's assessment of the company's real performance.

According to (Afzal & Rohman, 2012 in Irawan & Kusuma, 2019), Price to Book Value (PBV) measures the value given by the financial market to the company's management and organization as a company continues to grow. According to (Hidayat, 2013), the Price to Book Value ratio is a comparison between the share value according to the market and the book value of the company's equity. Book value is calculated as the quotient between shareholders and the number of shares outstanding.



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Tax avoidance is a way to avoid taxes legally without violating tax regulations. Tax evasion is a complex problem because on the one hand it is permitted but the state does not want it, giving rise to differences in interests between companies and the state, with companies always trying to keep their tax burden as low as possible, while the state always tries to increase government tax revenues as much as possible at any time. period. Management has made various efforts to increase company value, namely one way that can be done is by streamlining the tax burden through tax avoidance (Ilmiani & Sutrisno, 2014) in (Nugrahanto & Gramatica, 2022).

Risk is a detrimental event and arises because of uncertainty (Hanafi 2009 in Wardani & Putriane, 2020). Tax risk is the possibility that tax outcomes will differ from those expected as a result of failed tax planning decisions. According to Hutchens & Rego (2013) in (Wardani & Putriane, 2020) tax risk is everything related to tax risk and uncertainty regarding company operations, investments and financing decisions, including uncertainty in the application of tax law to company facts, audit risk , including the assessment of additional taxes, interest, penalties, and uncertainties in the financial accounting for income taxes.

Independent Commissioners are members of the Board of Commissioners who do not have financial, management, share ownership and/or family relationships with members of the Board of Commissioners, members of the Board of Directors and/or controlling shareholders or with companies that might prevent or inhibit their position from acting independently in accordance with the principles. GCG principles. The existence of independent commissioners is intended to create a more objective and independent climate, and also maintain "fairness" and be able to provide a balance between the interests of majority shareholders and protecting the interests of minority shareholders, even the interests of other stakeholders.

In order to maintain good corporate governance, the Financial Services Authority (OJK) regulates that issuers must have at least one member of the independent board of commissioners, however, if the board of commissioners has more than two members, then the number of independent commissioners that must be at least 30 %.

**Tax avoidance and tax risk simultaneously influence company value**

According to (Sugiyono, 2019) a hypothesis is a temporary answer to the research problem formulation, where the research problem formulation has been stated in the form of a question sentence. It is said to be temporary, because the answer given is only based on relevant theory, not yet based on empirical facts obtained through data collection. So a hypothesis can also be stated as a theoretical answer to a research problem formulation for which there is no empirical answer.

The Effect of Tax Avoidance and Tax Risk simultaneously on Company Value. As explained above, tax avoidance is an action to reduce the explicit tax burden (Hanlon & Heitzman, 2010) which is aimed at increasing shareholder welfare (Kim et al., 2011) in (Arfiansyah , 2021).

Tax avoidance behavior is believed to increase tax risks for companies (Guenther et al., 2017). This increase in risk is caused by three things, namely the uncertainty of future tax payments, indicating that there are risks behind tax avoidance such as risky investments, and the third is increasing the complexity of reporting and disclosure (Guenther et al., 2017). Thus, we can formulate a hypothesis as follows:
H1: It is suspected that Tax Avoidance and Tax Risk simultaneously influence Company Value.

**Tax avoidance affects company value**

As explained above, tax avoidance is an action to reduce the explicit tax burden (Hanlon & Heitzman, 2010) which is aimed at increasing shareholder welfare (Kim et al., 2011). However, several studies conducted have produced different conclusions



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regarding the impact of tax avoidance on company value.

The results of this research are in line with (Arfiansyah, 2021) based on the results of this research showing that tax avoidance has a positive effect on company value. This shows that tax avoidance has a positive effect on company value and that shareholders positively assess tax avoidance by management, they view that tax avoidance can increase shareholder welfare. Thus, we can formulate a hypothesis as follows:

H2: It is suspected that tax avoidance has an effect on company value

**Tax Risk affects Company Value**

Tax avoidance behavior is believed to increase tax risks for companies (Guenther et al., 2017). This increase in risk is caused by three things, namely the uncertainty of future tax payments, indicating that there are risks behind tax avoidance such as risky investments, and the third is increasing the complexity of reporting and disclosure (Guenther et al., 2017).

The same results were also obtained by (Nesbitt & Persson, 2017) who conducted research on how the market reacted to tax risks in Luxembourg. Using the case of tax leaks, Nesbitt et al identified how the market reacted to the inclusion of company names and the tax strategies they used. The result obtained was that the market actually reacted positively to the tax leaks because investors saw that the risks faced by the company were not as big as previously thought. Thus, we can formulate a hypothesis as follows:

H3: It is suspected that Tax Risk has an influence on Company Value

**Independent Commissioners in Moderating Tax Avoidance on Company Value**

Regarding tax avoidance, if seen from corporate governance, tax avoidance actions will increase company value in companies with good governance. This is in accordance with research conducted by (Desai & Dharmapala, 2009) quoted from (Arfiansyah, 2021) where they succeeded in proving the moderating role of good governance on the relationship between tax avoidance and company value.

This is also supported by research conducted by (Armstrong et al., 2015) in (Arfiansyah, 2021). Using company data in the United States, the results obtained (Armstrong et al., 2015) (Arfiansyah, 2021) show that the presence of commissioners will increase the value of companies that engage in non-aggressive tax avoidance, the opposite happens to companies that engage in tax avoidance. aggressively. Thus, we can formulate a hypothesis as follows:

H4: It is suspected that Independent Commissioners moderate the effect of Tax Avoidance on Company Value.

**The Influence of Independent Commissioners in Moderating Tax Risk on Company Value.**

According to (Setiyawati et al. 2017) in (Arfiansyah, 2021) states that the practice of good corporate governance is the presence of independent commissioners. The purpose of having independent commissioners is to protect the interests of minority shareholders and other stakeholders.

The role of the existence of independent commissioners on company value has been carried out by several researchers. Among them are (Chan & Li, 2008) in (Arfiansyah, 2021) who conducted research on the influence of the existence of independent commissioners or independent directors on company value in companies listed in the Fortune 200. Based on the results of their research, the presence of independent commissioners will increase company value. Thus, we can formulate a hypothesis as follows:

H5: It is suspected that Independent Commissioners moderate the effect of Tax Avoidance on Company Value.



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## 3. DATA AND RESEARCH TECHNIQUE ANALISYS

This research uses a qualitative associative research method, which asks about the relationship between two or more variables. The relationship used in this research is a causal relationship. Meanwhile, the data source used is secondary data, where the datasource from annual reports of non-consumer sector company's non-cyclicals listed on the Indonesia Stock Exchange from 2018 to 2022. The total amount of observation datais 155 The sample selection method is purposive sampling.

Data analysis techniques with EVIEWS tools with descriptive statistics, panel data regression model test, classicalassumptions, panel data regression analysis, coefficient of determination and hypothesistesting with f test , t test and MRA.

**Table 1**. Measurment of Variables

| Variable | Measurement Formula |
|---|---|
| *Tax Avoidance* (X1) | $\text{ETR} = \frac{\text{Tax expense}}{\text{Earning Before tax}}$ |
| Tax Risk (X2) | $\text{ETR Volatility} = \frac{\text{STDEV} \sum^{5} n=1 \ \text{ETR}}{\text{ETR}}$ |
| Independent Commissioner (Z) | $\frac{\text{amount of independent commissioner}}{\text{Amount commissioner}}$ |
| Firm Value (Y) | $\text{PBV} = \frac{\text{Price per share}}{\text{Book value per share}}$ |
| (Hidayat, 2013) | |

## 4. RESULT AND DISCUSSION

Table 2 presents descriptive statistics of the data. Standard deviation describes how the data distributed around the mean. The larger the standard deviation, the closer all the data is to the mean of the data.

**Table 2.** Descriptive Statistics

| | X1 | X2 | Z | Z1 | Z2 | Y |
|---|---|---|---|---|---|---|
| Mean | 0.255451 | 0.251342 | 0.414726 | 0.107994 | 0.098896 | 6.718879 |
| Median | 0.235892 | 0.112769 | 0.375000 | 0.091448 | 0.043299 | 1.989704 |
| Maximum | 0.921846 | 4.273672 | 0.833333 | 0.460923 | 1.424557 | 448.5702 |
| Minimum | 0.032015 | 0.035765 | 0.250000 | 0.010672 | 0.012920 | 0.294540 |
| Std. Dev. | 0.111320 | 0.487440 | 0.109391 | 0.063576 | 0.175634 | 36.58090 |
| Skewness | 3.416652 | 5.745920 | 1.675100 | 3.099680 | 5.038703 | 11.58529 |
| Kurtosis | 17.87023 | 41.00836 | 6.207458 | 14.80722 | 32.08578 | 140.0689 |
| Jarque-Bera | 1718.497 | 10117.14 | 138.0329 | 1141.157 | 6080.026 | 124000.5 |
| Probability | 0.000000 | 0.000000 | 0.000000 | 0.000000 | 0.000000 | 0.000000 |
| Sum | 39.33952 | 38.70667 | 63.86786 | 16.63113 | 15.22994 | 1034.707 |
| Sum Sq. Dev. | 1.896013 | 36.35239 | 1.830867 | 0.618406 | 4.719642 | 204738.9 |
| Observations | 155 | 155 | 155 | 155 | 155 | 155 |



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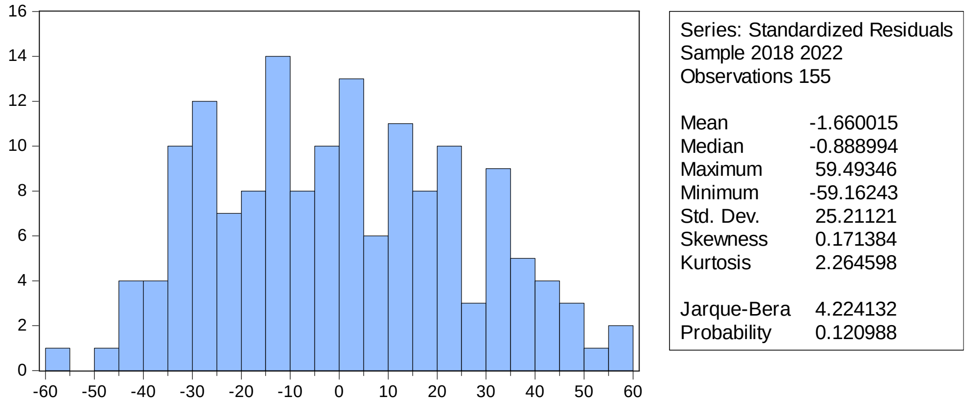
**Tabel 3**. Model Estimation of Panel Data Regression Test

| Model testing | Model Option | Results | Conclusion |
|---|---|---|---|
| Chow Test | CEM vs FEM | 0.0044 | Fixed Effect Model (FEM) |
| Hausman Test | FEM vs REM | 0.0000 | Fixed Effect Model (FEM) |

The regression model used to this research is a fixed effects model.

***Classical Assumptions***

**Picture 1.** Normality test




The probability value is 0.120988 > 0.05 which states that the residual is normallydistributed.

**Tabel 4.** multicollinearity test

| | X1 | X2 | Z1 | Z2 |
|---|---|---|---|---|
| X1 | 1.000000 | -0.125034 | 0.868640 | -0.066302 |
| X2 | -0.125034 | 1.000000 | -0.102909 | 0.979725 |
| Z1 | 0.868640 | -0.102909 | 1.000000 | -0.005230 |
| Z2 | -0.066302 | 0.979725 | -0.005230 | 1.000000 |

The correlation value of the independent variables for all independent variables is <0.9, test results show that the data are free of multicollinearity.

**Tabel 5.** heteroscedasticity test

| Variable | Coefficien t | Std. Error | t-Statistic | Prob. |
|---|---|---|---|---|
| X1 | 102.0159 | 61.08976 | 1.669934 | 0.0976 |
| X2 | -15.92650 | 25.43913 | -0.626063 | 0.5325 |
| Z1 | -187.3324 | 99.52778 | -1.882212 | 0.0622 |
| Z2 | 60.08363 | 82.83930 | 0.725304 | 0.4697 |
| C | -1.738705 | 10.12072 | -0.171797 | 0.8639 |



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Heteroscedasticity test uses the Glejser test by regressing the absolute residuals and all independent variable profitability values > 0.05 , test results show that the data are free of heteroscedasticity.

The results of the autocorrelation test show a Durbin Watson Stat value of 1.957785, which means 1.7798 (dU) < 1.957785 (DW) < 2.2202 (4-dU), free from autocorrelation

**Panel Data Regression Analysis and MRA**

**Tabel 6.** Panel Data Regression Analysis and MRA

| Variable | Coefficient | Std. Error | t-Statistic | Prob. |
|---|---|---|---|---|
| C | -3.116586 | 0.713508 | -4.367977 | 0.0000 |
| X1 | 92.31151 | 6.905246 | 13.36831 | 0.0000 |
| X2 | -22.49344 | 6.146585 | -3.659502 | 0.0004 |
| Z1 | -147.8639 | 19.56192 | -7.558763 | 0.0000 |
| Z2 | 79.64321 | 18.43203 | 4.320912 | 0.0000 |
| Effects Specification | | | | |
| Cross-section fixed (dummy variables) | | | | |
| Weighted Statistics | | | | |
| R-squared | 0.937259 | Mean dependent var | 111.8982 | |
| Adjusted R-squared | 0.919333 | S.D. dependent var | 356.4430 | |
| S.E. of regression | 28.58682 | Sum squared resid | 97247.56 | |
| F-statistic | 52.28457 | Durbin-Watson stat | 1.957785 | |
| Prob(F-statistic) | 0.000000 | | | |
| Unweighted Statistics | | | | |
| R-squared | 0.337941 | Mean dependent var | 6.718879 | |
| Sum squared resid | 135549.3 | Durbin-Watson stat | 1.581955 | |

The regression model formed is:

$$Y = -3.116586 + 92.31151\, X1 - 22.49344\, X2 - 147.8639\, Z1 + 79.64321\, Z2$$

Based on the panel data regression equation above, the relationship between the independent variables, namely tax avoidance and tax risk, on the dependent variable, namely company value, can be interpreted as follows:

1. It is known that the constant value is -3.116586, indicating that if the independent variables, namely Tax Avoidance (X1) and Tax Risk (X2) are 0 (zero) or none (constant), then the dependent variable, namely company value (Y), will have a value of -3.116586 .
2. The coefficient value of the tax avoidance variable (X1) of 92.31151 has a positive value, which means that every time there is an increase in the I point of tax avoidance (X1), the company value (Y) will increase by 92.31151 assuming the other independent variables are constant.
3. The coefficient value of the tax risk variable (X2) is -22.49344 which has a negative value, which means that for every 1 point increase in tax risk (X2), the company value (Y) will decrease by -22.49344 assuming the independent variable is constant



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4. The coefficient value of the tax avoidance variable with the commissioner as the moderator (Z1) is --147.8639 which has a negative value, which means that for every 1 point increase in tax avoidance with the independent commissioner as the moderator (Z1), the value of the company will decrease ( Y) is -147.8639 with the assumption that the independent variable and other moderating variables are constant.
5. The coefficient value of the tax risk variable with the commissioner as moderator (Z2) is 79.64321 which has a positive value, which means that for every 1 point increase in tax risk with an independent commissioner as moderator (Z2), the company value will increase (Y). amounting to 79.64321 assuming the independent variable and other moderating variables are constant.

The results obtained from the coefficient of determination test with an adjusted R2 value of 0.919333, meaning that 91% of the variation in company value can be influenced by tax avoidance and tax risk with independent commissioners as moderators. Meanwhile, 9% could be influenced by other factors not examined in the research.

**The Effect of Tax Avoidance and Tax Risk simultaneously influence Firm Value**

Based on the significance test (F test) that has been carried out, the F count is greater than F table (52.28457 > 2.4281638) and the significant value is 0.00000 which is smaller than 0.05 (0.000000 < 0.05), so H0 is rejected and H1 is accepted (has influence). So it can be concluded that the variables tax avoidance (X1) and tax risk (X2) together (simultaneously) influence company value (Y).

Tax avoidance is an action to reduce the explicit tax burden (Hanlon & Heitzman, 2011) which is aimed at increasing shareholder welfare (Kim et al., 2011). However, several studies conducted have produced different conclusions regarding the impact of tax avoidance on company value.

Tax avoidance behavior is believed to increase tax risks for companies (Guenther et al., 2017). This increase in risk is caused by three things, namely the uncertainty of future tax payments, indicating that there are risks behind tax avoidance such as risky investments, and the third is increasing the complexity of reporting and disclosure (Guenther et al., 2017)

**The Effect of Tax Avoidance on Firm Value**

The results of the partial test (t test) show that tax avoidance has a significant value obtained, namely a significant value of 0.000 < 0.05 so it can be concluded that the tax avoidance variable has a positive influence on company value.

As explained above, tax avoidance is an action to reduce the explicit tax burden (Hanlon & Heitzman, 2011) which is aimed at increasing shareholder welfare (Kim et al., 2011). However, several studies conducted have produced different conclusions regarding the impact of tax avoidance on company value. Although several research results show different results regarding the influence of tax avoidance behavior on company value, the positive relationship between tax avoidance behavior and company value is stronger than the opposite condition. This is because it is consistent with agency theory as expressed by (Desai & Dharmapala, (Desai & Dharmapala, 2009) and is also supported by empirical research which shows the existence of this positive relationship.

The results of this research are in line with (Arfiansyah, 2021) based on the results of this research showing that tax avoidance has a positive effect on company value, while tax risk has no effect. This shows that tax avoidance has a positive effect on company value and that shareholders positively assess tax avoidance by management, they view that tax avoidance can increase shareholder welfare.

**The Effect of Tax Risk on Firm Value**

The results of the partial test (t test) show that tax risk has a significant value obtained, namely a significant value of 0.0004 < 0.05. So it can be concluded that the tax risk variable



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has influence on company value.

The results of this study are as influential as (Drake et al., 2019). Based on the results of this research, it shows that tax avoidance and tax risk influence company value. Our results show that investors positively assess tax avoidance but negatively assess tax risk. This shows that tax risk has a negative effect on company value.

As with any empirical study, our results are subject to several caveats. In particular, the literature on tax risk is still emerging and researchers have not yet reached a consensus on a generally accepted conceptual and/or operational definition of tax risk. We focus on the tax risks associated with the spread of potential tax avoidance outcomes, but note that others have taken a more holistic approach to tax risks. Therefore, the conceptualization and management of tax risk can only cover one dimension of a complex structure. Although we expect other tax risk concepts to also be viewed negatively, these alternative operationalizations are beyond the scope of this study. First, we contribute to the assessment and recent literature on the implications of tax risk by recognizing that tax risk is an important factor in assessing corporate tax avoidance by investors.

Additionally, our examination of future ETR values provides insight into the mechanisms that may encourage investors to discount expected future cash flows associated with tax avoidance associated with tax risk. Finally, our research shows the importance of measuring tax avoidance and tax risk separately, and examining the impact of tax avoidance and tax risk together rather than separately.

**The Influence of Independent Commissioners in Moderating Tax Avoidance on Company Value**

The results of the partial test (t test) show that the significant value is 0.000 < 0.05. So it can be concluded that the independent commissioner variable can moderate the effect of tax avoidance on company value.

The research results are not in line with (Arfiansyah, 2021) based on the results of this research from statistical testing, the statistical probability of the role of independent commissioner composition as a moderator of the relationship between tax avoidance and company value is 0.0782. This value is significant because it is below 10%. However, the resulting coefficient is negative which is opposite to the hypothesized value. Thus, even though in this test independent commissioners moderate the effect of tax avoidance on company value, because it is not in accordance with the hypothesis, hypothesis H3 is rejected. Thus, the hypothesis that the existence of independent commissioners will strengthen the influence of tax avoidance on company value is not proven.

The results obtained show that the presence of independent commissioners not only reduces the impact of tax avoidance on company value, but also leads to a decrease in company value. Therefore, shareholders believe that the existence of independent commissioners effectively prevents tax avoidance by management. This initiative results in a reduction in the diversion or transfer of wealth from the government to shareholders, which reduces the value of the company. This is not in line with research results (Desai & Dharmapala, 2009) which state that the existence of good governance will result in an increase in company value due to tax avoidance.

**The Influence of Independent Commissioners in Moderating Tax Risk on Firm Value**

The results of the partial test (t test) show that the significant value of 0.0000 is smaller than 0.05. So it can be concluded that the independent commissioner variable is able to moderate the influence of tax risk on company value.

The results of this research are not in line with (Arfiansyah, 2021) based on research results from statistical testing, it can be seen that the coefficient value of the role of independent commissioner composition as a moderator of the relationship between tax risk and company value is 8.4257. Apart from that, the probability of the t statistic for this variable is also smaller than 10%. Thus hypothesis H4 is rejected. So the hypothesis that the presence of independent commissioners will weaken the



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influence of tax risk on company value is not proven.

This condition shows that the aggressiveness of tax avoidance has not yet become a concern for investors and independent commissioners. This is also consistent with the results of descriptive statistics which show that tax avoidance carried out by companies is still not aggressive. These results are in line with research conducted by (Firmansyah & Muliana, 2018) which concluded that tax risk in Indonesia is still heavily influenced by external factors so it has not yet become a concern for investors and management.

## 5. CONCLUSION

The conclusion of this research is

1. Tax avoidance and tax risk variables simultaneously have an influence on company value.
2. The tax avoidance variable has an influence on company value.
3. The tax risk variable has a p effect on company value.
4. The independent commissioner variable is able to moderate tax avoidance on company value.
5. The independent commissioner variable is able to moderate tax risk on company value

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