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The Effect of Capital Intensity, Sales Growth, Institutional Ownership and Independent Commissioner on Tax Avoidance

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Abstract: This study aims to examine the effect of capital intensity, sales growth, institutional ownership and independent commissioners on tax avoidance. This type of research is quantitative research using a population of all energy companies listed on the Indonesia Stock Exchange (IDX), with the year of observation that is 2017-2021. The sampling method in this study used purposive sampling technique. The total number obtained in this study was 14 companies. This study was conducted with the help of eviews 9 software. The test results show that simultaneously capital intensity, sales growth, institutional ownership and independent commissioners affect tax avoidance. In addition, partially capital intensity affects tax avoidance, meanwhile sales growth, institutional ownership and independent commissioners have no effect on tax avoidance.

Keywords: Capital Intensity, Sales Growth, Institusional Ownership, Independent Commissioner, Tax Avoidance.

INTRODUCTION

Underlying the development of Indonesia now, several developments are quite large and increasing rapidly. The considerable economic increase cannot be separated from the support and attention of the Government of Indonesia. The government is required to increase the capacity of the state as a source of income, which is used to finance all state needs. It believes that the most important source of the country's revenue comes from the tax sector.

The tax sector has a very important role in the development of the country. Tax is a compulsory contribution to the state owed by individuals or entities that are coercive based on the law with no direct remuneration and used for state purposes for the greatest benefit of the people (Mardiasmo, 2019). The following is a table of tax revenue percentages for 2017-2021:

Tabel 1. Percentage of Tax Revenue in 2017 – 2021

Year	Target (Trillion Rupiah)	Realization(Trilion Rupiah)	Percentage
2017	1,283	1,147	89.40%
2018	1,424	1,315	92.41%
2019	1,577	1,332	84.44%
2020	1,198	1,070	89.25%
2021	1,444	1,547	107.15%

Source: ministry of finance of Republic of Indonesia data processed, 2022

Based on the table above, it can be concluded that the target of the 2017-2020 tax revenue plan has not been achieved 100%. However, from 2021 it has met the target, the government has tried and shown by the tax reforms carried out, one of which is tax reform with the issuance of law number 7 of 2021 concerning Harmonization of Tax Regulations. One of the problems that can hamper tax revenue targets is tax avoidance. Indonesia's position in tax avoidance cases by taxpayers is ranked fourth in Asia after China, India and Japan (Fatimah, 2021).

The phenomenon of tax avoidance practices in Indonesia, in 2019, a coal company, PT Adaro Energy Tbk, was known to carry out tax avoidance with a transfer pricing scheme through its subsidiary located in Singapore, Coaltrade Services International Pte Ltd. This was identified in the financial statements containing non-arms length price transactions conducted between PT Adaro Energy Tbk and Coaltrade Services International Pte Ltd, which shows the inequality of transfer prices when compared to global coal market prices (Narsa, 2022). Based on this case, tax avoidance not only aims to reduce the amount of tax paid by the company but there are other goals, one of which is to prosper the owner. Various factors can affect tax avoidance, namely capital intensity, sales growth, institutional ownership, and independent commissioners.

Capital Intensity is called the activity of investing or using company funds in the form of fixed assets. In other words, capital intensity describes how large a company's fixed assets proportion of its total assets are. The greater the depreciation expense, the smaller the tax rate that must be paid by the company (Kalbuana et al., 2020). However, please note that companies that invest their capital in fixed assets with a large amount but the resulting profit is not significant will be considered a decrease in company performance which has an impact on decreasing investor confidence in the company (Nugraha & ADI, 2018). Therefore, the size of the capital intensity of the company's fixed assets can affect tax avoidance. The previous studies that identified this factor include the results of Sarasmita & Ratnadi, (2021) research stating that capital intensity has a negative influence on tax avoidance Hayati & Ajimat, (2022) results stated that capital intensity has a positive influence on tax avoidance.

Sales Growth or sales growth according to Supriyanto, (2021) is an increase in the number of sales from year to year or from time to time. If a company increases the number of sales from year to year, the company experiences an increase in profits as well as an increase in tax expenses. The higher sales growth will encourage companies to carry out tax avoidance activities. The results of research conducted by Zainuddin et al., (2022) and Supriyanto, (2021) stated that sales growth has a positive influence on tax avoidance and according to Hidayat et al., (2018) stated that sales growth produces a negative influence on tax avoidance. Unlike the research conducted by Ardiyanto & Marfiana, (2021) ales growth does not affect tax avoidance.

Institutional ownership or institutional investors play a role in their interests to maintain the sustainability of the company in which they invest, if it is known that the company used by investors to invest is involved in cases of legal violations, it can have an impact on falling stock prices and have an impact on harming many parties who are clients of the company.

Therefore, the size of institutional ownership can affect tax avoidance measures. The results of research on the effect of institutional ownership on tax avoidance conducted by Pratomo & Rana, (2021) and Ardiyanto & Marfiana, (2021) stated that institutional ownership hurts tax avoidance. However, in contrast, the results of research by Zainuddin et al., (2022) show that institutional ownership does not influence tax avoidance.

The next factor is the role of the independent board of commissioners in the company has a role to supervise management, one of which is in carrying out tax avoidance actions. The greater or smaller proportion of independent commissioners can affect the level of tax avoidance in the company. It is known that previous research conducted by Zainuddin et al., (2022) and Fitria, (2018) stated that independent commissioners have a negative influence on tax avoidance, this is contrary to research by Hayati & Ajimat, (2022) stating that independent commissioners do not affect tax avoidance.

The inconsistency of the results of previous studies, these variables are examined again to determine whether there is a relationship between the independent variable and the dependent variable, whether it has similarities with previous research or raises new results that can be used as decision making, with case studies of energy sector companies listed on the Indonesia Stock Exchange (IDX) in 2017-2021. This study takes the title **"The Effect of Capital Intensity, Sales Growth, Institutional Ownership and Independent Commissioners on Tax Avoidance (Case Study on Energy Sector Companies Listed on the Indonesia Stock Exchange in 2017-2021)".**

THEORETICAL FRAMEWORK AND HYPOTHESIS DEVELOPMENT

Agency Theory

Agency theory is one of the concepts that explain the contractual relationship involvement of principals and agents. According to Jensen & Meckling (1976) in the research of Zainuddin et al., (2022) agency relationships arise when the principal works with an agent, where the principal will provide facilities and delegate authority and decision-making policies to the agent. Problems in this relationship arise due to differences in interests and incomplete information (asymmetry information) between managers and owners.

Conflicts of interest between shareholders and management can be narrowed by the existence of an employment contract that must be agreed upon by both parties. One of them is the difference in views on corporate tax policy from the principal and agent. The principal wants his company to be able to go concerned and continue to grow by providing bonuses if management can manage his company well. Management who want the bonus will try to report good company performance (Nugraha & ADI, 2018).

Compliance Theory

Compliance Theory According to Tahar & Rachman (2014) in the research of Azis & Sari, (2022) As taxpayers to God, each of whom has rights and obligations that must be carried by the government and the people, one of the duties of the government and the people is to ensure compliance with the tax system. The government expects taxpayer compliance in carrying out its tax obligations. Citizens who abide by applicable rules or laws are called responsible citizens.

The relationship of compliance theory in this study is because it is very closely related to taxpayer responsibility. Where taxpayers must obey, obey, and obey applicable tax regulations. The main point in compliance theory is the basic principle of the theory on the influence of behavior on legal rules. According to Tyler (Saleh, 2004) there are two perspectives in the sociological literature regarding obedience to the law, called instrumental and normative. The instrumental perspective assumes the individual is entirely driven by self-interest and response to behavior-related changes. The normative perspective deals with what people perceive as moral and as opposed to self-interest. (According to Karnawati, 2015 in Kurniasih & Hermanto, 2020)

Tax Avoidance

Tax Avoidance or tax avoidance, is one of the tax avoidance efforts carried out legally because it does not conflict with tax provisions, where the methods and techniques used tend to take advantage of weaknesses (gray areas) contained in tax laws and regulations themselves, to minimize the amount of tax owed (Zainuddin et al., 2022). The government cannot prosecute legally even though this tax avoidance practice will affect state revenue from the tax sector. Tax avoidance is not free of cost, some of the costs that must be borne are the sacrifice of time and energy to do tax avoidance, and there is a risk if tax avoidance is revealed. This risk starts from what can be seen, namely interest and fines, and what is not visible, namely the loss of company reputation (Armstrong et al., 2013), which has adverse consequences for the company's long-term business continuity (Kurniasih & Hermanto, 2020).

Capital Intensity

Capital intensity is a company's activity in investing or investing in the form of fixed assets. Ownership of fixed assets can reduce tax payments paid by companies due to depreciation costs contained in fixed assets. The depreciation fee can be used by company managers to minimize the tax costs paid by the company (Kalbuana et al., 2020).

Sales Growth

The company's sales growth describes the success of past investment periods and can be used as a prediction of future growth. Companies with stable sales can more safely obtain more loans and bear higher fixed expenses compared to companies with unstable sales (Hayati & Ajimat, 2022). Large loan companies will get a burden that can reduce tax costs.

Institutional Ownership

Institutional ownership is the ownership of company shares owned by several institutions or institutions, institutional ownership has the power to monitor company management by increasing supervision to ensure the prosperity of shareholders, one of which is supervision of activities in taxation or company obligations. The influence of institutional ownership as one of the supervisory agents is suppressed through their considerable investment in the capital marke (Febrianto, 2020).

Komisaris Independen

The commissioner is a corporate organ tasked with supervising in general and/or specifically by the articles of association and advising the board of directors (PT Law No. 34 of 2007). An independent commissioner is defined as a person who is not affiliated in all matters with the controlling shareholder and does not serve as a director in a company related to the owning company. Independent commissioners shall be at least 30% of all members of the board of commissioners, in addition, independent commissioners shall understand the laws and regulations of the capital market and be proposed by shareholders who are not controlling shareholders at the General Meeting of Shareholders. The proportion of independent commissioners in the sample companies on average has 2 people from the total number of commissioners. The existence of an independent commissioner in the company supervision of management operational activities and decisions taken by management (Fitria, 2018).

HYPOTHESIS DEVELOPMENT

The Effect of Capital Intensity on Tax Avoidance

According to Comanor dan Wilson (1967) research (Nugraha & ADI, 2018) Capital Intensity Ratio is one of the ratios used by investors as a consideration in making investment decisions and evaluations, because this ratio shows the efficiency of the company in managing the capital that has been invested by investors to generate income for the company. So the company's policy to carry out tax avoidance practices using fixed assets poses risks. Agency theory in this case arises because there is a thought that is in line with involving shareholders (principals) with managers (agents) by trying to increase investment in fixed assets, this intends to generate profits with cost savings and can increase company operations. Based on compliance theory, the company's attitude will encourage more compliance with applicable tax regulations, referring to the point of normative commitment through morality which means obeying the law because the law is considered a must.

The Effect of Sales Growth on Tax Avoidance

Sales Growth describes the success of past investment periods and can be used as a prediction of future growth (Hayati & Ajimat, 2022). According to the theory that the agency will trigger agents to do tax avoidance with large profits due to sales growth, then the amount of income tax will increase according to the increase in company profits. Compliance theory refers to the point of instrumental perspective that assumes the individual is entirely driven by self-interest and behavior, where management will take advantage of legal loopholes to minimize the value of corporate taxes.

The Effect of Institutional Ownership on Tax Avoidance

Institutional ownership is the shareholding of an institute. In Romadhina & Dewi, (2021) shares according to hidayat (2010:96) "Shares are a sign of participation, share or ownership of a person or institution in a company". Institutional parties can control the company's management activities related to their responsibilities by tax regulations. In agency theory, institutional ownership as a principal will hand over its obligations to the agent to supervise management in complying with applicable tax regulations and being compliant with fulfilling its obligations.As for the theory of compliance, the relationship is to run with supervision to better comply with applicable regulations, referring to the point of normative commitment of investors, a company wants its company will always comply with applicable regulations because investors do not want to be affected by actions that can be detrimental.

Effect of Independent Commissioner on Tax Avoidance

Independent commissioners in the company have the role of supervising management in deciding a decision. With the increasing number of independent commissioners, the level of supervision carried out on management will be high and will make management always carry out their duties carefully when making decisions on company activities to prevent tax avoidance practices. The relationship with agency theory is that the higher the number of independent commissioners, the better the monitoring of managers' actions. As for compliance theory, it will encourage more compliance with applicable regulations and minimize tax avoidance actions.

Research Hypothesis

Based on theory and hypothesis development, the hypotheses in this study are as follows:
H1: It Is Suspected That Capital Intensity, Sales Growth, Institutional Ownership, And Independent Commissioners Simultaneously Affect Tax Avoidance.
H2: Allegedly Capital Intensity Affects Tax Avoidance
H3: It Is Suspected That Sales Growth Affects Tax Avoidance.
H4: It Is Suspected That Institutional Ownership Affects Tax Avoidance.
H5: Allegedly Independent Commissioner Influence On Tax Avoidance.

RESEARCH METHODS

This study used an associative type of quantitative research with a causal relationship. According to (Sugiyono, 2017), this type of quantitative research with causal methods is useful for determining the causal relationship between 2 (two) or more variables. This research uses secondary data where data is obtained through the Indonesia Stock

Exchange (IDX), obtained through the official website of the Indonesian Stock Exchange (IDX), namely http://www.idx.co.id. The population in this study used all Energy companies listed on the Indonesia Stock Exchange (IDX) in 2017-2021 as many as 76 companies. There are sample criteria set in this study using purposive sampling techniques. Statistical testing was conducted using the Eviews 9 application. There are 5 variables in this study consisting of dependent variables, namely tax avoidance (Y) and Independent variables including capital intensity (X1), sales growth (X2), institutional ownership (X3), and independent commissioners (X4). Here's the operational table of variables:

Tabel 2. Operational Variables

NO	VARIABLES	MEASUREMENT	REFERENSI
1.	Tax Avoidance	$\frac{\text{Income tax burden}}{\text{Profit before tax}}$	(Zainuddin et al., 2022)
2.	Capital Intensity	$\frac{\text{Fixed assets}}{\text{Total assets}}$	(Permatasari et al., 2022)
3.	Sales Growth	$\frac{\text{Sales T - Sales T-1}}{\text{Sales T-1}}$	(Supriyanto, 2021)
4.	institutional ownership	$\frac{\sum \text{Shares owned by institutions}}{\sum \text{Outstanding shares}}$ X 100%	(Noorica & Asalam, 2021)
5.	independent commissioners	$\frac{\sum \text{ independent commissioners}}{\sum \text{Member of Commissioners}}$ x100%	(Fitria, 2018)

RESULTS OF RESEARCH AND DISCUSSION

Sample selection using a purposive sampling technique. Sample selection based on the criteria set by researchers in this study was the number of samples obtained by 14 companies, which means as many as 70 financial statements that can be processed.

Panel Data Regression Analysis

Tabel 3. Panel Data Regression Selection Results

No	Models Determinant Test	Test Results	Selected models
1.	Uji Chow	0,0030 < (α = 0,05)	FEM
2.	Uji Hausment	0,4437 > (α = 0,05)	REM
3.	Uji Lagrange Multiplier	0,0059 < (α = 0,05),	REM
	Selected models		REM

Source: Researcher-processed eviews 9 output

It is known from table 3 above, that the three tests are the chow test of the selected fixed effect model (FEM), the harassment test of the selected random effect model (REM), and the langerange multiplier test of the selected random effect model (REM). Therefore the most appropriate method for this research is the random effect model (REM).

Classical Assumption Test

Normality Test

Normality tests in research to test regression models of confounding variables or having normal distributions, how to find out normal or abnormal distributed regression is done using the bark-fallow test. According to the central limit theory (Dielman, Terry 1961) states if a large number of study samples is more than 30 (n > 30) then the data is said to have normal distribution properties. The following are the results of the normality test in the study:

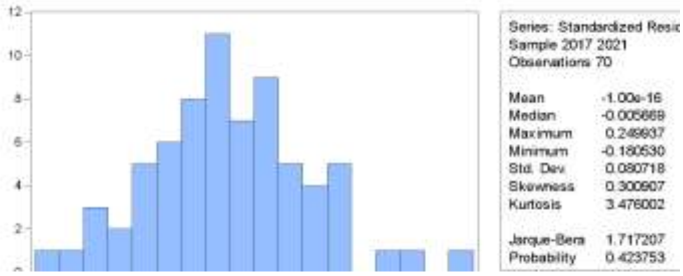

Figure 1. Result of normality jarque-bera

It is known in Figure 1 above, that the results of the normality test obtained a value of 1.717207 with a probability value of 0.423753 > (α = 0.05) so it can be concluded that the data is normally distributed

Multicholinerity Test

The multicollinearity test aims to find out whether the regression model found a correlation between dependent and independent variables or independent variables To find the presence or absence of multicollinearity in the regression model, the variance inflation factor (VIF) value can be seen. If the resulting Centered VIF value < 10 indicates that the data does not have symptoms of multicollinearity (Ardiyanto & Marfiana, 2021).

Tabel 4. Multicholinerity Test Results

Variance Inflation Factors			
Variable	Coefficient Variance	Uncentered VIF	Centered VIF
C	0.001910	23.20428	NA
CI	0.001058	2.227698	1.060840
SG	0.000539	1.254569	1.031448
KINS	0.001467	9.866675	1.090610
KOI	0.009451	19.33827	1.083393

Source: Researcher-processed eviews 9 output

As shown in Table 4 above, it is known that the value of centered VIF Capital intensity is 1.060840. The centred VIF sales growth value was 1.031448. The value of the centered VIF of institutional ownership was 1.090610 and the value of the centered VIF of the independent commissioner was 1.083393. Based on the results above, each variable-centered VIF value is < 10, so in this study there is no multicollinearity, meaning that the regression model is good.

Heteroskedasticity Test

The heteroscedasticity test aims to test whether, in the regression model, there is an inequality of variance and residual from one observation to another. Heteroscedasticity testing is carried out with the glacier test, this test proposes to progress the absolute residual value against the independent variable. Decision making is if the probability value < 0.05 then it indicates heteroscedasticity, but if the probability value > 0.05 it indicates there is no heteroscedasticity.

Tabel 5. Glejser Test Result

Heteroskedasticity Test: Glejser			
R-squared	0.101401	Mean dependent var	0.053867
Adjusted R-squared	0.046102	S.D. dependent var	0.049834
S.E. of regression	0.048672	Akaike info criterion	-3.138669

Sum squared resid	0.153984	Schwarz criterion	-2.978063
Log likelihood	114.8534	Hannan-Quinn criter.	-3.074874
F-statistic	1.833702	Durbin-Watson stat	1.870855
Prob(F-statistic)	0.133019		

Source: Researcher-processed eviews 9 output

It is known in Table 5 above, the glacier test results that all independent variables have a prob value of 0.133019 > (α = 0.05), so it can be concluded in the study that heteroscedasticity does not occur..

Autocorrelation Test

According to the autocorrelation test to determine the possible relationship there is from a series of observation activities at a certain time and space. Test form to determine autocorrelation with Durbin Watson test. If Durbin Watson scores (DW) > Durbin Lower (DL) or DW scores > (4DL), it means that the observations are found to be autocorrelated. If the DW score is between the Durbin Upper (DU) and (4DU) ranges, it means that no autocorrelation is found, but if the DW score is located between DL and DU scores or even between (4DL) and (4DU), it means that it cannot be concluded that there is an autocorrelation or not.

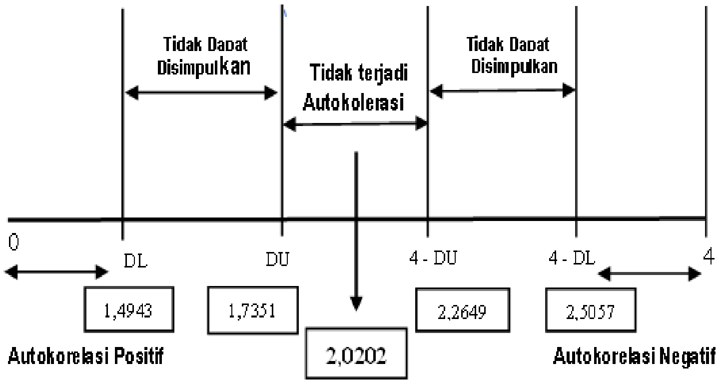

Figure 2. Autocorrelation Result

It is known in Figure 2 above, that the Durbin Watson (DW) value of the regression model is known to have a value of 2.0202 where the value is between DU and 4 - DU which is (1.7351 < DW < 2.2649). So it was concluded that in this study there was no autocorrelation.

HYPOTHESIS TEST

Statistical Test F

The statistical test f basically shows whether all independent variables included in the model have a joint or simultaneous influence on the dependent variable (Ghozali & Ratmono, 2020).

Tabel 6. Statistik Test Results F

R-squared	0.154432	Mean dependent var	0.125103
Adjusted R-squared	0.102397	S.D. dependent var	0.067941
S.E. of regression	0.064369	Sum squared resid	0.269319
F-statistic	2.967855	Durbin-Watson stat	2.020294
Prob(F-statistic)	0.025814		

Source: Researcher-processed eviews 9 output

Based on Table 6 above, the probability value (f-statistic) is 0.025814 < 0.05 and for the results of the comparison of F statistic with F table with the formula df = (k - 1; n - k - 1) then df = (5 - 1; 70 - 5 - 1) = (4; 66) so that the F value of the table is 2.511, then the result is (2.967 > 2.511). It can be concluded that in this study simultaneously the independent variable affects tax avoidance.

Statistical Test T

The statistical test t shows how far the influence of one independent variable has on the dependent variable by assuming the other dependent variable is constant.

Tabel 7. Statistik Test Results F

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.353534	0.056924	6.210641	0.0000
CI	-0.150678	0.050052	-3.010462	0.0037
SG	0.008366	0.020961	0.399117	0.6911
KINS	-0.029592	0.059122	-0.500536	0.6184
KOI	-0.139956	0.103831	-1.347926	0.1824

Source: Researcher-processed eviews 9 output

Based on table 7 above is the result of the statistical test T from the selected model processed by the researcher, it is known that the value of T table df = (n – k) = (70 – 5) = 65 so that the value is 1.669, it can be explained as follows:

1) Capital intensity has a coefficient value of -0.150678 with a probability value of 0.0037 < 0.05 and a statistical t value of 3.010 > 1.669. So capital intensity negatively affects tax avoidance
2) Sales growth has a coefficient value of 0.008366 with a probability value of 0.6911 < 0.05 and a statistical t value of 0.399 < 1.669. So sales growth has no effect on tax avoidance.
3) Institutional ownership has a value of -0.029592 with probability values obtained 0.6184 > 0.05 and statistical t values of 0.500 < 1.669. Therefore, institutional ownership has no effect on tax avoidance
4) The independent commissioner has a value of -0.139956 with a probability value of 0.1824 > 0.05 and a statistical t value of 1.347 < 1.669. Therefore, the independent commissioner has no effect on tax avoidance.

The Effect of Capital Intensity, Sales Growth, Institutional Ownership and Independent Commissioner on Tax Avoidance

Based on the results of the study significance level of 0.006547 < 0.05 and F table of 2.967 > 2.511, this shows that the first hypothesis (H1) is accepted. So it can be concluded that capital intensity, sales growth, institutional ownership, and independent commissioners jointly or simultaneously affect tax avoidance. These results indicate that the higher capital intensity, sales growth, institutional ownership, and independent commissioners will affect tax avoidance.

The Effect of Capital Intensity on Tax Avoidance

Based on the results of the study, capital intensity has a significance level of 0.0037 > 0.05 and a table T of 3.010 > 1.669, so this shows that the second hypothesis (H2) is accepted. The higher the company's capital intensity, the lower that tax avoidance is lower. This research is the same as the research conducted by Sarasmita & Ratnadi, (2021) and Permatasari et al., (2022) Stating that capital intensity has a significant negative effect, that the higher the intensity of fixed assets, the lower the tax avoidance action in the company. The company's policy to carry out tax avoidance practices using fixed assets poses risks because companies that invest their capital in fixed assets in large amounts but the profits generated are not significant will be considered a decrease in company performance which has an impact on decreasing investor confidence in the company.

The results of this hypothesis are in line with the existence of agency theory, so there is a mutual agreement that involves shareholders as principle parties with managers as agents to increase investment in fixed assets, this is intended to obtain benefits in the form of cost savings and can increase the company's operations. Therefore, conflicts involving principle parties with agents can be automatically and structurally eliminated so that company goals can be met and achieved (Permatasari et al., 2021). This research is also in line with compliance theory which states that taxpayers must obey, obey, and obey applicable tax regulations, referring to normative commitment through morality with the meaning of obeying the law.

The Effect of Sales Growth on Tax Avoidance

Based on the results of sales growth research has a significance level of 0.6911< 0.05 and a T table of 0.399 < 1.669, this shows that the third hypothesis (H3) is rejected. With a low level of high sales growth, the company will not influence tax avoidance measures. The results of this study are the same as those conducted by Hayati & Ajimat, (2022), Azis & Sari, (2022) and Ardiyanto & Marfiana, (2021) and states that Sales Growth does not affect Tax Avoidance. When the company knows that with increased sales growth will get a large profit or profit, the company will plan obedient behavior and obedient to pay taxes, because the company is considered financially able to pay its tax burden and avoid sanctions or fines that will harm the company.

The Effect of Institutional Ownership on Tax Avoidance

Based on the results of the study, institutional ownership has a significance level of 0.8435 > 0.05 and a table T of 0.500 < 1.669, which means that the fourth hypothesis (H4) is rejected. More or less institutional ownership does not affect tax avoidance. The results of this study are the same as research conducted by Zainuddin et al., (2022) showing that the results of institutional ownership variables do not influence tax avoidance. Institutional ownership is not influential because institutional ownership is share ownership owned by institutions such as governments, insurance companies, overseas investors, or banks except individual ownership (Zainuddin et al., 2022). The results of the study diverge from the agency's theory that institutional ownership will encourage more effective performance monitoring because it is better able to detect errors, this is related to tax avoidance activities, but institutional ownership only focuses on profit management.

The Effect of Independent Commissioners on Tax Avoidance

Based on the results of the independent commissioner's research has a significance result of 0.3218 > 0.05 and a table T of 1.347 < 1.669, this states that the fifth hypothesis (H5) is rejected. More and more independent commissioners of companies describe tax avoidance rates as falling. The results of this study are in line with research conducted by Zainuddin et al., (2022) dan Hayati & Ajimat, (2022), stating that independent commissioners influence tax avoidance. The hypothesis in this study is not in line with agency theory where more members of the independent board of commissioners can complicate supervision due to lack of coordination between members of the board of commissioners. The independent commissioner is only for the condition of fulfilling the provisions of the law that require securities companies to have members of the independent board of commissioners, therefore supervisory actions do not achieve their objectives. Thus, the independent commissioner variable cannot affect tax avoidance.

CONCLUSION AND SUGGESTIONS

Based on the results of research that has been conducted, researchers stated that simultaneously or jointly the variables of capital intensity, sales growth, institutional ownership, and independent commissioners on tax avoidance. Then partially the variable capital intensity has a significant negative effect on tax avoidance, where increased capital intensity will result in decreased tax avoidance activity in the company. However, partially the sales growth variable does not affect tax avoidance in the company. Low levels or high sales growth will not affect tax avoidance actions or activities in the company. High or low sales growth rates in companies still have the same obligation to pay taxes according to their provisions. Partially, institutional ownership variables do not have a significant effect on tax avoidance. Partially, the independent commissioner does not affect tax avoidance. Independent Commissioners are only required to comply with the provisions of the law that require Securities Companies to have members of the Independent Board of Commissioners, therefore supervisory actions do not achieve their objectives.

Because it is known from the results of the r-square coefficient of determination that the independent variable only has an influence of 10.2% on the dependent variable so that 89.8% is influenced by other variables that are not included in the research, it is hoped that further research can use other variables that are likely to have a greater influence. against tax avoidance.

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