JOURNAL OF ARUDA
ACCOUNTING RESEARCH, UTILITY FINANCE AND DIGITAL ASSETS
E-ISSN: 2962-973X
Publisher
PT. RADJA INTERCONTINENTAL PUBLISHING
WWW.JARUDA.ORG

FACTORS AFFECTING TAX AVOIDANCE IN PROPERTY AND REAL ESTATE COMPANIES LISTED ON THE INDONESIA STOCK EXCHANGE

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Received : 28 November 2024 Published : 24 January 2025 DOI : 10.54443/jaruda.v3i3.207
Accepted: 12 December 2024

Abstract

This study aims to examine the effect of financial distress, leverage, capital intensity and size on tax avoidance in property and real estate companies listed on the Indonesian stock exchange for the 2019-2023 period. The data collection technique uses secondary data in the form of financial reports accessed through the official website www.idx.co.id. *The data that has been collected is processed using the STATA 17 programme. The population used in this study are property and real estate companies listed on the Indonesian stock exchange during the 2019-2023 period. The sample selection technique used purposive sampling technique and obtained 17 companies for 5 years with a total sample data obtained was 85 sample data. The data analysis method used in this research is panel data regression analysis. The research results found that, financial distress has no effect on tax avoidance, leverage has a positive effect on tax avoidance, capital intensity has no effect on tax avoidance, and size has a negative effect on tax avoidance in property and real estate companies listed on the Indonesian stock exchange for the period 2019-2023.*

Keywords: ***Financial Distress, Leverage, Capital Intensity, Size, Tax Avoidance.***

1. INTRODUCTION

The property and real estate sector include businesses engaged in the development, sale and management of property. Property and real estate are essentially separate entities. According to Regulation of the Minister of Home Affairs number 5 of 1974 article 6, what is meant by real estate sector is a business entity engaged in the provision, acquisition, and development of land for industrial businesses, including the tourism industry. tourism. In accordance with the Decree of the Minister of Public Housing Number 05/KPTS/BKP4N/1995, property is the right land and or permanent building which is the object of the owner of the property. and building. In other words, property is a real estate industry that added with laws such as rent and ownership

According to Wikarya (2023), the property sector, real estate and construction sector generates state revenue of IDR 926.3 trillion in 2018 to 2022. As reported by www.kontan.co.id, the average growth of state revenue each year is IDR 185.2 trillion, indicating an overall surge in state revenues sourced from taxes of sourced from taxes by 9.26%. (www.kontan.co.id.). The following data shows the contribution of the property and real estate sector to state revenue in 2018-2022

Table 1 Property and Real Estate Sector Tax Revenue 2018-2022 (in trillion)

Source of revenue	2018	2019	2020	2021	2022
Property and real estate companies	184,4	192,5	176,2	193,3	179,2

Source: Data Processed, 2024

The data clearly shows that the state revenue obtained from taxes paid by property and real estate companies continues to increase every year. Tax revenue in 2018 amounted to 184.4 trillion. In 2019, there was a considerable jump of 192.3 trillion which shows a growth rate of 4.4%

compared to the previous year. However, due to the Covid-19 pandemic, the property and real estate sector experienced a significant decrease in tax revenue in 2020 by 8.3% to a total of IDR 176.2 trillion compared to the previous year. However, in 2021 there was a significant increase of 193 trillion which shows a growth rate of 9.5%. However, in 2022 it is estimated that there will be a decrease of 179.2 trillion or a 7% decrease compared to the previous year. While tax provides several benefits to the country and society, it is important to be aware of the various negative consequences it may bring. One example is the mistaken belief held by many companies that the taxes they have to pay will cause a decrease in the company's overall revenue (Widodo & Wulandari, 2021). As a result, companies use various techniques to reduce or alleviate their tax obligations. According to Dewi and Oktaviani (2021), one of the tax strategies that can be taken to minimize the tax burden legally is tax avoidance.

Tax avoidance is a legal approach that can be used by taxpayers, both the public and the business world, as a relevant tactic. Tax avoidance tactics generally utilize the weaknesses inherent in tax regulations or legislation to reduce tax liabilities for taxpayers. Tax avoidance practices are increasingly being carried out by several companies, due to several factors. Damayanti and Stiawan (2023), concluded that several factors influence tax avoidance, namely sales growth, financial distress, and company size. Meanwhile, Puspitasari et al. (2021) concluded that several factors influence tax avoidance, namely profitability, leverage, and capital intensity. From the two researchers above, it can be concluded that there are 4 factors that influence tax avoidance, namely financial distress, leverage, size and capital intensity.

Financial distress can be an indication that the company is taking tax avoidance (Taufik & Mauliana, 2021). Financial distress is a situation where a company faces financial difficulties due to a decline in its business activities before filing for bankruptcy or liquidation Examining the impact of financial distress on tax avoidance, provides different results. Siburian and Siagian (2021) argue that there is a positive correlation between financial distress and the tendency to do tax avoidance. This is in line with Hisa & Haq (2023); Ningsih and Noviari (2022); Muttaqin and Husen, (2020), state in their research that financial distress has a positive effect on tax avoidance. But in contrast to Pratiwi et al. (2021), argue that financial distress has a negative impact on tax avoidance. This is in line with Ari and Sudjawoto (2021); Febriyanto and Laurensius (2022); Taufik and Mauliana (2021), concluded that financial distress has no effect on tax avoidance.

Leverage is a funding policy that measures the company's ability to fulfill its obligations using a ratio. In this context, leverage is proxied using the debt to asset ratio which is the ratio between debt and assets. The increasing amount of debt may indicate the company's tendency to avoid paying taxes. If the company accumulates more debt, the company is obliged to make additional interest payments. The interest expense arising from this loan will reduce the company's net profit, resulting in a decrease in tax payments to optimize profits.

According to Tanjaya and Nazir (2021), leverage has no significant effect on tax avoidance. This is also supported by Puspitasari et al. (2021), found that leverage has no significant effect on tax avoidance. Meanwhile, other findings from the research of Widodo and Wulandari (2021); Pratiwi et al. (2021) revealed that leverage has a significant positive effect on tax avoidance. However, research conducted by Aulia and Mahpudin (2020); Sulaeman (2021) shows that leverage has a significant negative effect on tax avoidance.

Capital intensity can be defined as the extent to which a company invests its assets in fixed assets. Ownership of fixed assets can reduce corporate tax liabilities due to the depreciation costs associated with these assets. The decreased tax burden can maximize the profit earned by the company. When the capital intensity ratio increases, both depreciation costs and the use of tax avoidance measures also increase.

Puspitasari et al. (2021) and Zufar and Arianti (2023), state that capital intensity has a significant positive effect on tax avoidance. Meanwhile, Setyaningsih et al. (2023), revealed that capital intensity has no effect on tax avoidance. The same thing with Safitri and Irawati (2021); Dewi and Oktaviani, (2021) revealed that capital intensity has no influence on tax avoidance. Size is one of the internal factors and reflects how much resources a company has, and is considered

capable of influencing the way companies fulfill their tax obligations and is also a factor that can cause tax avoidance. Aulia and Mahpudin, (2020), state that size or company size affects tax avoidance. This is in line with Sulaeman (2021); Siburian and Siagian (2021), state that size has a positive effect on tax avoidance. Meanwhile, Moeljono, (2020); Widayanti et al. (2022) revealed that size has no effect on tax avoidance. Meanwhile, Tanjaya and Nazir (2021) state that company size has a significant negative effect on tax avoidance.

2. LITERATURE REVIEW

The Influence of Financial distress on Tax avoidance

Poor management in a business is a major factor in the occurrence of financial distress in a company. Financial distress is a condition of severe financial difficulties faced by a company due to a decline in its economic and financial situation. This scenario ultimately increases the likelihood of the company going bankrupt (Damayanti & Stiawan, 2023)). Companies experiencing financial difficulties will strive to continue operating in accordance with the agreed agreement. In addition, the company will try to present a good image even though it is in a difficult financial condition. In this situation, companies may manipulate accounting policies to temporarily increase their operating income in order to pay off debt, or to demonstrate the company's ability to pay debt to creditors (Frank et al., 2009 in Putri & Chariri, 2017). Research conducted by Damayanti and Stiawan (2023); Ningsih and Noviari (2022); Khuong et al. (2020); Siburian and Siagian (2021), state that financial distress has a positive effect on tax avoidance. This can occur because the economic and financial downturn of the company results in financial distress and increases the likelihood of bankruptcy. As a result, companies are forced to participate in tax avoidance and place less importance on tax audits in their business.

The Influence of Leverage on Tax avoidance

Leverage is a quantitative measure that assesses the extent to which a company relies on borrowed money to fund its assets. When corporate debt increases, the associated interest expense will also increase, resulting in reduced corporate tax liabilities. The more the company's debt increases, the more the company's CETR value decreases. According to Pratiwi et al. (2021) state that leverage has a positive effect on tax avoidance. This phenomenon arises from the unidirectional relationship between leverage and tax avoidance. Greater leverage is directly related to a higher likelihood of tax avoidance. This phenomenon can be attributed to the existence of debt, which incurs a predetermined liability called interest, and is determined by the rate of return. Corporations utilise this interest expense as a deduction from taxable income to mitigate their tax obligations. According to Iman et al. (2021); Barli (2018); Pratiwi et al. (2021); Mahdiana and Amin (2020), in their research they stated that leverage has a positive effect on tax avoidance.

The Influence of Capital Intensity on Tax avoidance

Priskila et al. (2023), define capital Intensity as a company's strategic allocation of funds towards operational activities and asset acquisition, with the aim of creating future profits. According to Gula and Mulyani (2020), capital Intensity is one of the factors in financial decision making. These decisions are made by company management with the aim of increasing company profitability. Capital Intensity is a measure of the amount of capital investment required by a company to generate profits. Research conducted by Rahma et al. (2022); Puspitasari and Ermayanti (2019); Putri et al. (2022); Zufar and Arianti (2023), revealed that capital Intensity has a considerable influence on tax avoidance. This situation arises because significant investment can result in an increase in fixed asset depreciation expense, thus affecting tax liabilities. Companies that have a greater capital intensity ratio will experience a lower effective tax rate (ETR).

The Influence of Size on Tax avoidance

The scale of an entity can be ascertained by evaluating elements such as the number of assets owned, total sales, gross profit, and tax burden. Nanda et al. (2022) company size is defined

as the average net sales value over several years in the current year. According to Siburian and Siagian (2021), the larger an entity or company, the more complicated the transaction process will be. This can provide opportunities for companies to practice tax avoidance.

According to research conducted by Siburian and Siagian (2021); Widiatmoko and Mulya (2021); Sulaeman (2021); Damayanti and Stiawan (2023), explaining that company size or size has a positive effect on tax avoidance. This means that there is a direct relationship between the size of a company and the level of tax avoidance it does.

Hypothesis

A hypothesis is a temporary statement or assumption put forward to explain a phenomenon or answer a question in a study. Usually hypotheses are testable, meaning they can be tested through experimentation or observation. In the context of research, hypotheses serve as the basis for designing methods and analysing data. There are two categories of hypotheses: null hypotheses that state there is no relationship or difference, and alternative hypotheses that indicate a relationship or difference.

H1: Financial distress has a positive effect on tax avoidance on tax avoidance in property and real estate

H2 : Leverage has a positive effect on tax avoidance on tax avoidance in property and real estate

H3 : Capital intensity has a positive effect on tax avoidance on tax avoidance in property and real estate

H4 : Size has a positive effect on tax avoidance on tax avoidance in property and real estate

3. IMPLEMENTATION METHOD

The object of this research is financial distress, leverage, capital intensity, size and tax avoidance in property and real estate companies listed on the Indonesia Stock Exchange (IDX) in 2019-2023. The location of this research was conducted at the Indonesia Stock Exchange (IDX) Stock Exchange by visiting the official website, namely www.idx.co.id. The population in this study were all non-cyclical consumer sector companies listed on the Indonesia Stock Exchange, totaling 92 companies. The sample in this study were 85 property and real estate companies. The research data comes from the annual financial statements of property and real estate companies listed on the Indonesia Stock Exchange (IDX) for the 2019-2023 period. The data can be obtained from the official website of the Indonesia Stock Exchange, namely www.idx.co.id. The type of data used in this study is panel data which is a combination of time series and cross section data. Cross-section data is data collected in a certain period on several research objects which aims to describe the situation in a certain period. While time series data is data collected in several periods.

4. RESULTS AND DISCUSSION

1.1Classic Assumption Test

3.1.1 Normality Test

In a study, a test is needed to see whether the processed data is normally distributed or not, for this reason it is necessary to do a normality test. The normality test carried out in this study uses a comparison of the Shapiro-Wilk probability value calculated with an alpha level of 0.05 (5%). The results of the normality test in this study are presented in Table 3 below:

Tabel 2 Hasil Uji Normalitas

Variable	Obs	W	V	z	Prob>z
CETR	85	0,58281	30,100	7,485	0,00000
FD	85	0,24248	54,655	8,796	0,00000
Leverage	85	0,97202	2,019	1,545	0,06121
CI	85	0,56756	31,201	7,564	0,00000
Size	85	0,95923	2,942	2,372	0,00884

Source: Stata 17 Output (Researcher Processed Data), 2024

Based on Table 2 it can be seen that the probability value of each variable Prob>chi2. where the CETR, FD, and CI variables each have a probability value of 0.0000, while the Leverage variable has a probability value of 0.06121 and the Size variable has a probability value of 0.00884. So it can be concluded that the data in this study is not normally distributed.

3.1.2 Multicollinearity Test

The multicollinearity test is used to identify whether there is a relationship between the independent variables in the regression model. A good regression model should not show a correlation between the independent variables (Ghozali, 2018). One way to detect symptoms of multicollinearity is to analyze the relationship matrix between independent variables. In this study, the multicollinearity test was carried out using the Variance Inflation Factor (VIF) method, where a VIF value of more than 10 indicates the presence of multicollinearity symptoms (Cheng et al., 2022). The following are the results of the multicollinearity test in this study:

Tabel 3 Multicollinearity Test

Variable	VIF	1/VIF
Lev	1,48	0,676305
Size	1,37	0,729170
FD	1,36	0,736051
CI	1,06	0,945891
Mean VIF	1,32	

Source: Stata 17 Output (Researcher Processed Data), 2024

From Table 3 above, it can be seen that all independent variables, namely financial distress, leverage, capital intensity and size, have a Vif value < 10. So, it can be concluded that there are no multicollinearity symptoms in this study.

3.1.3 Autocorrelation Test

The autocorrelation test is used to determine whether there is a relationship between confounding errors in the current period and errors in the previous period in a linear regression model. If this relationship exists, it is considered an autocorrelation problem. Autocorrelation occurs because of the relationship between consecutive observations within a certain period of time. This problem arises because the residuals are not independent between observations (Ghozali, 2018). The following table shows the results of the autocorrelation test:

Tabel 4 Autocorrelation Test

F (1, 16)	=	0,782
Prof > F	=	0,3896

Source: Stata 17 Output (Researcher Processed Data), 2024

Based on Table 4 the results of the autocorrelation test using the Wooldridge test, it can be seen that the value of Prof > F is 0.3896. It can be concluded that the data used in this study do not occur autocorrelation symptoms.

3.1.4 Heteroscedasticity Test

Heteroscedasticity test is an analytical technique used in regression models to evaluate whether there are differences in the variance of residuals between one observation and another. If the residual variance is consistent across observations, then this indicates the absence of heteroscedasticity. To detect the presence of heteroscedasticity, the method used is the Glejser test. According to Ghozali (2018), a good regression model is a model that is free from symptoms of heteroscedasticity.

If the significance value of the P-value is greater than 0.05, it can be concluded that there are no symptoms of heteroscedasticity. Conversely, if the P-value is less than 0.05, it can be concluded that there are symptoms of heteroscedasticity. The test results in this study can be seen in the following table:

Tabel 5 Heteroscedasticity Test

Variable	Coefficient	Std. Error	T-Statistic	Prob.
FD	.0011708	.0009136	1.28	0.204
Lev	.9706396	.2038139	4.76	0.000
CI	.033383	.1950821	0.17	0.865
Size	-.0707413	.022871	-3.09	0.003
_Cons	1.936279	.6610259	2.93	0.004

Source: Stata 17 Output (Researcher Processed Data), 2024

Based on Table 5 above, it can be seen that all the independent variables in the study tested using the Glejser test produced a value greater than 0.05. So it can be concluded that the data used in this study are free of heteroscedasticity symptoms.

3.2 Model selection techniques

To get a good panel data regression analysis model, model selection techniques are needed. The selection of panel data regression analysis models consists of 3 models, namely the Common Effect Model (CEM), Fixed Effect Model (FEM) and Random Effect Model (REM). To get the best model results in a study, the Chow Test and Hausman Test can be carried out. Next, one of the three models will be selected for panel data regression

3.2.1 Chow Test

The Chow test is used to determine which model is more appropriate between the Common Effect Model (CEM) and the Fixed Effect Model (FEM). If the probability value of F is below the threshold set in this study, which is 0.05, then the most appropriate model is the Fixed Effect Model (FEM). Conversely, if the probability value is above 0.05, then the more appropriate model is the Common Effect Model (CEM). The results of the Chow test in this study are as follows:

Tabel 6 Chow Test

F (16, 64)	=	1,78
Prob > f	=	0,0542

Source: Stata 17 Output (Researcher Processed Data), 2024

Based on Table 6, it can be seen in the chow test that the probability value > F is 0.0418, where the value is smaller than the error tolerance value in this study, namely 0.05. This shows that the common effect model is the right model, so proceed with the Hausman test.

3.2.2 Hausman Test

This Hausman test is used to select a random effect model with a fixed effect model where this test looks at the relationship between errors in the model (composite errors) and one or more explanatory (independent) variables in the model, while the results of the Hausman Test in this study are presented in Table 8 below:

Tabel 7 Hausman Test

Chi2 (4)	=	9.76
Prob > chi2	=	0,0446

Source: Stata 17 Output (Researcher Processed Data), 2024

Based on Table 7, it can be seen in the Hausman Test that the probability value > chi2 is 0.0002, where the value is smaller than the error tolerance value in this study, which is 0.05. This indicates that the fixed effect model is the right model.

3.2.2 Panel Data Regression Estimation

Based on the model determination technique that has been carried out in this study. Then the model that has been determined is the Fixed Effect Model (FEM). The panel data regression estimation results are as follows:

Tabel 8 Estimasi Regresi Data Panel *Fixed Effect Model*

	Coefficient	t-statistic	Prob.
_cons	1,714873	1.83	0,071
FD	0,0013585	1,05	0,298
Lev	1,207243	4,18	0,000
CI	0,465608	1,68	0,096
Size	-0,0648208	-2,00	0,049
F Statistik	5,70		
R^2	11,03		
Prob. F	0,0002		

Source: Stata 17 Output (Researcher Processed Data), 2024

Based on Table 8 above, the equation in this study can be arranged as follows:

TA= 1.714873+ 0.0013585 FD +1.207243 Lev + 0.465608 CI - 0.0648208 Size

From the results of the above equation, it can be seen that the constant value of tax avoidance is 1.714873. This explains that financial distress, leverage, capital intensity and size have a value (worth 1280). Then the value of tax avoidance will remain constant with a value of 1.714873. Financial distress has a positive relationship to tax avoidance with a regression coefficient of 0.0013585. This shows that if financial distress is increased by 1%, it will increase tax avoidance. In other words, financial distress has no effect on tax avoidance. leverage has a positive relationship to tax avoidance with a regression coefficient of 1.207243. This shows that if leverage is increased by 1%, it will increase tax avoidance. In other words, leverage has a positive effect on tax avoidance. Capital intensity has a positive relationship to tax avoidance with a regression coefficient of 0.465608. This shows that if capital intensity is increased by 1%, it will increase tax avoidance. In other words, capital intensity has no effect on tax avoidance. Size has a negative relationship to tax avoidance with a regression coefficient of -0.0648208. This shows that if size is increased by 1%, it will reduce tax avoidance. In other words, size has a negative effect on tax avoidance.

3.3 Hypothesis Testing

Hypothesis testing in this research was carried out using the t test. The results of the t test are used to partially explains the influence of the independent variable and the dependent variable. The criteria for decision making using the t test is to look at the t table value and look at the probability value. The error rate used in this research is 5%.

3.3.1 The Influence of Financial Distress on Tax Avoidance

Based on Table 8 Panel Data Regression Estimation Results using the Fixed Effect Model (FEM), it can be seen that the financial distress variable has a tcount value of 1.05 with a probability value of 0.298. The value of financial distress is not statistically significant at 5%. So it can be concluded that financial distress has no effect on tax avoidance in property and real estate companies listed on the Indonesia Stock Exchange for the 2019-2023 period. This shows that H2 in this study is rejected. This is in line with research conducted by Ari and Sudjawoto (2021) on metal industry manufacturing companies listed on the Indonesia Stock Exchange in 2017-2019; Febriyanto and Laurensius (2022) on hotel, restaurant and tourism sub-sector service companies listed on the Indonesia Stock Exchange in 2016-2020; Taufik and Mauliana (2021) on companies

listed on the LQ45 index of the Indonesia Stock Exchange in 2015-2019, which state that financial distress has no effect on tax avoidance. This means that the higher the financial distress, the less likely the company will take tax avoidance actions. This can be due to the fact that businesses that experience losses will prefer not to avoid tax avoidance because they will receive compensation in the form of tax exemptions.

3.3.2 The Influence of Leverage on Tax Avoidance

Based on Table 8 Panel Data Regression Estimation Results using the Fixed Effect Model (FEM), it can be seen that the leverage variable has a tcount value of 4.18 with a probability value of 0.000. The leverage value is statistically significant at 5%. So it can be concluded that leverage has a positive effect on tax avoidance in property and real estate companies listed on the Indonesia Stock Exchange for the 2019-2023 period. This shows that H2 in this study is accepted.

This is in line with research conducted by Widodo and Wulandari (2021) on manufacturing companies listed on the Indonesia Stock Exchange in 2017-2019; Pratiwi et al. (2021) on manufacturing companies listed on the IDX in 2016-2018, which states that leverage has a positive effect on tax avoidance. This shows that the higher the leverage owned by a company, the greater the tendency of the company to avoid taxes. The reason is that the company uses debt for operational needs, which causes a fixed interest expense. This interest expense can reduce the company's taxable income. Therefore, a higher leverage ratio indicates that the company uses more debt and faces greater interest costs. Higher interest costs will reduce the company's tax burden because the tax incentive on debt interest increases as the amount of debt increases.

3.3.3 The Influence of Capital Intensity on Tax Avoidance

Based on Table 8 Panel Data Regression Estimation Results using the Fixed Effect Model (FEM), it can be seen that the capital intensity variable has a tcount value of 1.68 with a probability value of 0.096. capital intensity is not statistically significant at 5%. So it can be concluded that capital intensity has no significant effect on tax avoidance in property and real estate companies listed on the Indonesia Stock Exchange for the 2019-2023 period. This shows that H2 in this study is rejected. This is in line with research conducted by Dewi and Oktaviani (2021) on manufacturing companies listed on the Indonesia Stock Exchange in 2016-2020; Safitri and Irawati (2021) on consumer goods industry sector companies listed on the Indonesia Stock Exchange in 2016-2020, which state that capital intensity has no effect on tax avoidance.

This shows that the higher or lower capital intensity will not affect the tax avoidance of a company. This is due to the fact that many companies in Indonesia have assets that have exceeded the depreciation age limit set by law. In addition, the fixed assets owned by the company are not considered as investment, so it will not affect the depreciation expense that will be borne by the company in tax. This supports the agency theory that agents and directors can reduce conflicts because both are trying to keep the company's reputation good.

3.3.4 The Influence of Effect of Size on Tax Avoidance

Based on Table 8 Panel Data Regression Estimation Results using the Fixed Effect Model (FEM), it can be seen that the financial distress variable has a tcount value of -2.00 with a probability value of 0.049. The size value is not statistically significant at 5%. So it can be concluded that size has a negative and significant effect on tax avoidance in property and real estate companies listed on the Indonesia Stock Exchange for the 2019-2023 period. This shows that H2 in this study is rejected, because the initial hypothesis in the study has a positive effect, while the results in this study have a negative effect.

This is in line with research conducted by Tanjaya and Nazir (2021) on consumer goods manufacturing companies listed on the Indonesia Stock Exchange in 2015-2019; Suryani (2021) manufacturing companies in the food and beverage sub-sector listed on the Indonesia Stock Exchange in the period 2015 - 2019, which states that size has a negative effect on tax avoidance. This shows that the larger the size of a company, the lower the level of tax avoidance practices, and

vice versa. This may be because, entities that have larger assets usually have more stable profits than small entities. Thus, large entities are considered to have a greater capacity to pay taxes, therefore having a lower level of tax avoidance. In addition, large entities are often the center of attention of the government and the general public. As a result, large entities tend to try to maintain their reputation and tend to comply with tax regulations. Large entities also tend to be more careful in making tax policies and decisions. This is because if the entity is not careful in making policies regarding taxation, it can cause losses, such as sanctions, and create a bad reputation in the community and government.

Conclusion

1. Financial distress has no effect on tax avoidance in property and real estate companies listed on the Indonesia Stock Exchange for the period 2019-2023.
2. Leverage has a positive effect on tax avoidance in property and real estate companies listed on the Indonesia Stock Exchange for the 2019-2023 period.
3. Capital intensity has no effect on tax avoidance in property and real estate companies listed on the Indonesia Stock Exchange for the 2019-2023 period.
4. Size has a negative effect on tax avoidance in property and real estate companies listed on the Indonesia Stock Exchange for the period 2019-2023

Suggestion

Further researchers can expand this research by including additional variables that can affect tax avoidance in property and real estate companies. For example, research can examine the effect of corporate governance on tax avoidance by using indicators such as managerial ownership, board composition, and frequency of external audits. In addition, liquidity ratios such as Quick Ratio (QR) and profitability ratios such as Return on Assets (ROA) can also be analyzed to see the relationship between financial health and the company's tendency to avoid taxes.

Research Limitations

In this study, researchers did not separate or group potential companies with distress, gray and healthy categories. This study only uses a relatively short research method, namely 5 (five) years. The time span is relatively short so that the results obtained are less than optimal. In this study only uses 4 independent variables, namely financial distress, leverage, capital intensity and size as part of the factors that influence tax avoidance, there should be many other factors that can be used as a reference in this study.

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