Asian Journal of Economics, Business and Accounting

Volume 23, Issue 10, Page 73-82, 2023; Article no.AJEBA.97878
ISSN: 2456-639X

The Effect of Accounting Conservatism, Capital Intensity on Tax Avoidance with Independent Commissioners as Moderating Variables

Lina Herlina [a] and Triyani Budyastuti [a*]

[a] *Faculty of Business and Economy, Universitas Mercu Buana, Jakarta, Indonesia.*

Authors' contributions

This work was carried out in collaboration between both authors. Both authors read and approved the final manuscript.

Article Information

DOI: 10.9734/AJEBA/2023/v23i10972

Open Peer Review History:
This journal follows the Advanced Open Peer Review policy. Identity of the Reviewers, Editor(s) and additional Reviewers, peer review comments, different versions of the manuscript, comments of the editors, etc are available here:
https://www.sdiarticle5.com/review-history/97878

Original Research Article

Received: 24/01/2023
Accepted: 26/03/2023
Published: 12/04/2023

ABSTRACT

This research aims to provide light on how accounting conservatism and capital intensity influence tax avoidance, and how the existence of independent commissioners acts as a moderators component in this connection. This study employs a causal quantitative methodology. This research focuses on 21 energy-related firms trading on the Indonesian Stock Exchange between 2017 and 2021. The sample size is 105, and it was determined using a basic random sampling technique. Linear regression analysis and moderated regression analysis were employed for the data analysis (MRA). This research shows that conservative accounting practices and high levels of capital intensity help taxpayers avoid paying their fair share of taxes. Moreover, independent commissioners can mitigate the impact of accounting conservatism on tax avoidance, but cannot do so for the impact of capital intensity.

Keywords: Accounting conservatism; capital intensity; independent commissioners; tax avoidance.

**Corresponding author: E-mail: triyani@mercubuana.ac.id;*

1. INTRODUCTION

"Taxes are contributions to the state owed those who are required to pay by regulations by not receiving a return achievement, whose use is to finance public expenditures related to government duties." [1]. Government tax collection is more challenging than imagined [2]. The existence of obstacles in tax collection causes tax payments by taxpayers not to be made optimally, which will cause losses to state revenue in the taxation sector with a large enough amount [3].

Taxpayers as tax subjects often have different perceptions of the government as tax collectors. For the government, taxes are the largest source of state revenue needed to finance national development and other expenses for the welfare of its people. The more taxes a company pay, the more revenue the state earns. Meanwhile, taxpayers consider that taxes are a burden that can reduce the profits they get, so taxpayers try to minimize the tax burden they will bear. This makes taxpayers try to avoid taxes [4].

The phenomenon is based on a report issued by Global Witness, which states that one of the largest mining companies in Indonesia, PT Adaro Energy Tbk, committed tax avoidance from 2009 to 2017. The company is said to have transferred large profits to a growing network of overseas companies that have assisted PT Adaro Energy Tbk in avoiding or reducing taxes that should be paid in Indonesia [5].

Tax avoidance refers to the process through which taxpayers may lawfully and securely reduce their tax liabilities without breaking any laws or regulations. Methods and tactics used in this profession often take advantage of loopholes (grey areas) in the Tax Law and Regulation in order to minimize tax liabilities [6].

Several factors can influence the practice of tax avoidance. The first uses the accounting conservatism principle, and the second uses the fixed asset intensity ratio as a proxy for capital intensity. Management must monitor efforts to establish corporate governance to ensure they do not violate the law. Decisions by the Independent Commissioners are significant because they are responsible for overseeing the policies of the board of directors' policies in conducting company activities. An independent commissioner's board can liaise between business owners and management in developing compliant policies and tax strategies.

2. LITERATUR REVIEW

2.1 Agency Theory

“The agency theory is that owners (shareholders) give management authority to conduct business operations through agreed contracts. Management acts in the interests of the company's owners when both sides have the same interests, i.e., optimization of the company's value” [7]. A principal-agent relationship arises when one person's actions have an effect on another. One partner inside a firm acts as the principal and the other as the agent, and agency theory defines this connection.

Agency theory encourages agents to increase company profits. As profits generated increase, income tax rises with company profits, so the company may engage in tax avoidance to avoid an increased tax burden.

2.2 Tax Avoidance

According to Pohan [6], “Tax avoidance is an attempt to avoid taxes that is legal and safe, carried out for the taxpayer's benefit without violating (and not being illegal) applicable tax laws, and the methods and techniques used are used tend to exploit weaknesses (gray areas) inherent in tax laws, and - the regulation itself to reduce the tax bill.”

Since it does not go against tax regulations, tax avoidance may be done openly. However, the government does not favor tax avoidance because it goes against its interests to raise as much tax revenue as possible [8]. Tax avoidance generally refers to legitimate manipulation by taxpayers to reduce taxes. Tax avoidance measures are encouraged due to weak tax avoidance regulations and tax calculation systems that use self-assessment systems. Tax avoidance practices allow managers to act according to the opportunity to achieve short-term gains, but this can be detrimental to shareholders in the long run [9].

According to the explanation, tax avoidance refers to a tax manager's attempt to fulfill tax obligations in an effective and efficient way. The amount of tax paid is reduced to the greatest extent possible to achieve the anticipated profit.

2.3 Accounting Conservatism

Concept Statement Glossary #2 The FASB (Financial Accounting Statement Board) states that "Conservatism is a prudent response to the uncertainty inherent in a business and a business view that provides the best benefit to all users of financial statements. It ensures that uncertainty and risk exist in the environment."

According to Hery [10], accounting conservatism is controversial. On the one hand, accounting conservatism is the view as a barrier that will impact the reliability of financial statements. Conservative accounting principles often lead to biased and unrepresentative accounting reports. The definition of conservative accounting, which states that this principle acknowledges income and profits, is the basis for this opinion. Conversely, conservative accounting aids in preventing manager opportunism.

Based on the above, it can be concluded that managers of companies that adhere to the principle of conservatism will have a more conservative nature over existing uncertainties so that the uncertainties that may arise can be considered. In this case, recognizing expenses takes precedence over profit, even though both have uncertainty.

2.4 Capital Intensity

"A company's capacity to invest in its wealth through fixed assets and inventory is referred to as its capital intensity. A company's ability to make money is hampered by its fixed assets. Yet, depreciation applies to almost all fixed assets, which inevitably increases the company's expenses. Thus, a company's tax bill will go down if its fixed-asset depreciation costs are large [11].

2.5 Independent Commissioners

"The appointment of an independent commissioner serves as a check on the board of commissioners' ability to exert undue influence on the firm by giving advice, ideas, and oversight from a perspective unaffiliated with the business. Hence, independent commissioners are unbiased, look out for the best interests of the firm, and contribute to sound corporate governance practices. This will later benefit and preserve the sustainability of the company [12].

Independent commissioners appointed by the company must demonstrate high and rigorous standards of independence and integrity. Reinforcing the duty of independent commissioners to effectively and efficiently carry out their supervisory duties without being easily influenced by company management. The existence of independent commissioners can reduce management opportunism so that the financial statements presented have a high degree of integrity and the information presented does not mislead users in policy-making and decision-making processes.

2.6 Empirical Review

2.6.1 Accounting conservatism has a positive effect on tax avoidance

Accounting conservatism can be measured using accruals. The profit is considered conservative if the accrual value is positive because it is less than the cash flow generated by the business over a specific period.The use of accounting conservatism will cause the numbers on the income statement to be set low so that it will have an impact on the taxes that the company will pay to the government. The lower the income earned, the lower the tax that will be paid.

This is in line with research Adi & Mildawati [13], Alfarasi & Muid [14], Sundari & Aprilina [15] which states that accounting conservatism has a positive effect on tax avoidance. Conservatism in accounting has an impact on corporate profits, which are use to determine how much tax a company must pay. The less income a company generates, the less tax it must pay. This results from losses being anticipated even though they have yet to happen.

2.6.2 Capital intensity has a positive effect on tax avoidance

Depreciation is an expense that a companies can deduct from its income when it invests in fixed assets. Depreciation reduces the company's taxable income and reduces the company's taxes.

This finding is consistent with findings from studies by Anindyka [16], Dwiyanti & Jati [17], and Gumono [18], Safitri & Fatahurrazak [19]. According to a report by Safitri and Fatahurrazak [19], large investments in fixed assets result in more depreciation of fixed assets, which in turn influences tax payments.

2.6.3 Independent commissioners can moderate the effect of accounting conservatism on tax avoidance

Independent commissioners are the primary risk management mechanism. A corporation's board of directors establishes internal controls to ensure that the organisation follows all applicable laws and policies. Due to the existence of an independent board in the company, the company avoids tax law violations through tax avoidance by using conservative accounting treatments in its financial statements.

Independent commissions mitigate the effect of accounting conservatism on tax avoidance, according to a research by Alfian [20]. The more a company has an independent board of commissioners, the better the corporate governance of the company. Using accounting conservatism in this situation is different from a tax avoidance strategy.

2.6.4 Independent commissioners can moderate the effect of capital intensity on tax avoidance

Independent commissioners provide direction and supervision to prevent frequent information asymmetry between principals and agents. Independent commissioners mediate between company owners and management, drafting laws-abiding policies and determining tax payment strategies. The company's management is overseen by a board of independent commissioners. It's motivated by a desire to maximise its own profit at the expense of others. In addition, the company's attempts to artificially lower reported profitability by increasing fixed asset depreciation are restrained by an independent board of commissioners. To is done to avoid paying large taxes.

Based on the above theoretical framework, The conceptual framework allows for the following illustration.

2.7 Hypothesis

H1: Accounting conservatism has a positive effect on tax avoidance.
H2: Capital intensity has a positive effect on tax avoidance.
H3: Independent commissioners can moderate the effect of accounting conservatism on tax avoidance.
H4: Independent commissioners can moderate the effect of capital intensity on tax avoidance.

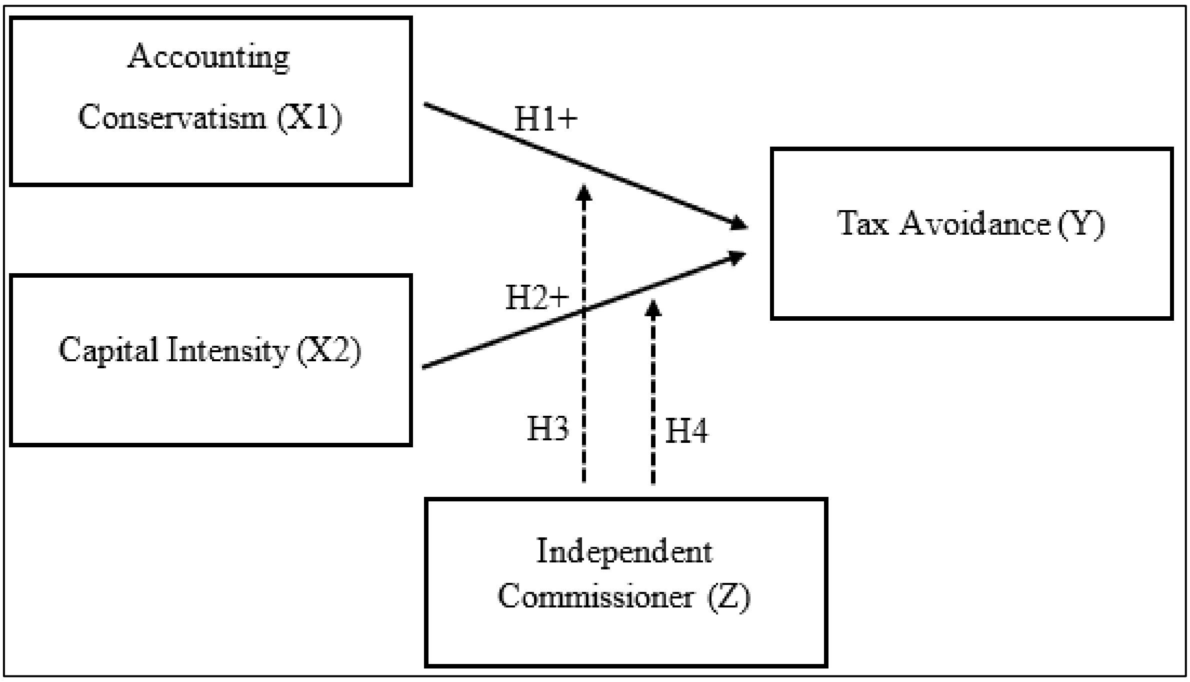

Fig. 1. Research framework

3. RESEARCH METHODS

3.1 Population and Sample

Companies listed on the Indonesian Stock Exchange in the energy industry between 2017 and 2021 were selected as the research population using a set of specified criteria (purposive sampling). In this investigation, 105 samples were collected throughout a 5-year period, from 2017 to 2021.

3.2 Research Analysis Methods

In this work, quantitative analysis was employed to decipher the data. Secondary data was analyzed using IBM SPSS version 25 for descriptive statistics and multiple linear regression analysis, Moderate Regression Analysis (MRA).

This study uses an independent commissioner as moderator (Z) to test hypotheses about the impact of several factors, including accounting conservatism (X1) and capital intensity (X2), on tax avoidance (Y). And use a causal descriptive research approach.

3.3 Tax Avoidance

This study examined tax avoidance by ETR (Effective Tax Rate). Researchers use the ETR because it represents the total tax burden that a company must pay, including final and deferred taxes. Tax avoidance does not arise only from income taxes. The formula for calculating tax avoidance is as follows [21]:

$$ETR = \frac{\text{Income Tax Expense}}{\text{Profit Before Tax}}$$

3.4 Accounting Conservatism

Accounting conservatism in a company's financial statements can be measured using accruals, a comparison between net income and cash flow operations. The formula for calculating the Conservatism Index is [13]:

$$KNSV = \frac{\text{Net Income} + \text{Depreci}ation - \text{AKO x} - 1}{\text{Aset Total}}$$

3.5 Capital Intensity

The ratio of a company's fixed assets to its total assets is known as its capital intensity. Large corporations pay less in taxes than smaller ones because of the value of their fixed assets. The formulafor calculating capital intensity is as follows:

$$CIR = \frac{\text{Total Fixed Assets}}{\text{Total Assets}}$$

3.6 Independent Commissioners

The independent commissioner variable is quantified by the ratio of non-elected to elected commissioners on the board of commissioners [11]. The following is a list of parallels:

$$KI = \frac{\text{N}umber\ of\ Independent\ Commissioners}{\text{Total Number o}f\ Commissioners}$$

Using the SPSS 25 analysis tool to test the framework, conduct the f-tests and t-tests to determine the model's viability. Moderated Regression Analysis (MRA) is one of several methods for testing regression with moderating variables. This study's regression model is as follows:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_1Z + b_4X_2Z + e$$

4. RESULTS AND DISCUSSION

4.1 Results

4.1.1 Descriptive statistics

To conduct the analysis, researchers looked at the fiscal year-end statements of 105 energy firms trading on the Indonesia Stock Exchange (IDX). Sample size, median, minimum, maximum, mean, and standard deviation are all shown in Table 1 as descriptive statistics based on the survey variables.

Table 1 can be described as follows:

1. The company with the lowest accounting conservatism value in 2019 has the company code TOBA and a value of -0.2804. The highest accounting conservatism value in 2021 belongs to energy sector companies with the company code MYOH, at 0.1459. Accounting conservatism has an average value of -0.0084. The greater the tax avoidance, the more conservative the financial statement.

2. The company with the lowest capital intensity value in 2021 has the company code TOBA and a value of 0.0311. The

highest capital intensity value in 2018 belongs to energy sector companies with the company code SHIP, at 0.9284. Capital intensity has an average value is 0.3737. It can be interpreted that the company has invested in income-generating assets because the higher the capital intensity value, the possibility of the company doing tax avoidance is also high.

3. The minimum independent commissioners value for 2021 for an energy company with company code PSSI is 0.2000. An energy company with company code TOBA had the highest independent commission value of 0.7500 in 2021. As 38% of boards on average include independent members, the sample businesses' average number of independent commissioners is 0.3854. So, it follows that the greater the number of independent commissioners in a corporation, the less likely it is that management fraud will occur or would be tolerated. Conversely, the fewer independent commissioners, the less oversight of the company.

4. The company with the lowest tax avoidance value in 2019 has the company code TCPI and value of 0.0017. The highest tax avoidance value in 2021 belongs to energy sector companies with the company code DEWA of 0.8865. Tax avoidance has an average value is 0.2432, based on Law 36 of 2008 article 17 regarding the amount tax rate for individual and corporate taxpayers of 25%. The higher the ETR, the closer to the set tax rate of 25%, and the lower the corporate tax avoidance. If the effective tax rate (ETR) is less than 25%, the entity is indicated to be tax avoidance; if the ETR is greater than 25%, the entity is indicated to be not indicated in tax avoidance.

4.1.2 Classical assumption

Classical assumption tests consist of normality, multicollinearity, heteroscedasticity, and autocorrelation tests. The classical assumption results are shown in Table 2.

The Kolmogorov-Smirnov test is used in this investigation. Significance (Sig.) for Asymp values assumes normal data. Data are not normally distributed if (2-tailed) > 0.05 and Asymp (2-tailed) < 0.05. The significance of Asymp is shown by the normalcy test findings. Sig. 0.084 > (2-tailed). The study's results are normally distributed at the 0.05 level of significance. The multicollinearity test looks for a regression model in which the independent variables are correlated with one another. The Variance Inflation Factor (VIF) in this analysis has a tolerance of >0.10 and a value of 10. This disproves the existence of multicollinearity. Independent variables should not affect the results of a decent regression model.

By comparing the residuals of a regression model from one observation to another, the heteroscedasticity test may determine whether the residuals have different variances. All of the independent variables have P values greater than 0.05, hence the Glejser test does not indicate any heteroscedasticity issues with this model. The autocorrelation test is then used to the linear regression model to determine whether or not disturbance errors across time periods are correlated. The Durbin-Watson test was utilised in this investigation, using the following cutoffs: du DW 4-du. The data in this analysis showed no evidence of autocorrelation.

4.1.3 Hypothesis testing linear and absolute difference

Table 3 shows the results of the multiple regression analysis and the absolute difference hypothesis test.

The regression function can be made as follows using Table 3, which contains the model suitability test results:

$$Y = 0{,}177 + 1{,}644(KNSV) + 0{,}265(CIR) – 3{,}276(KNSV\_KI) – 0{,}231(CIR\_KI) + e$$

Table 1. Descriptive statistics test results

	N	Minimum	Maximum	Mean	Std. Deviation
KNSV	105	-,2804	,1459	-,0084	,0645
CIR	105	,0311	,9284	,3737	,2502
KI	105	,2000	,7500	,3854	,0899
ETR	105	,0017	.8865	,2432	,1407
Valid N (listwise)	105				

Source: Data processed by SPSS 25, 2022

Table 2. Classical assumption test results

Classical assumption test	Method	Results	Requirements	Description
Normality	Kolmogorov Smirnov	,084	Sig > ,05	Normally distributed
Multicollinearity	VIF & Tollerance KNSV CIR	,979 &1,022 ,979 &1,022	Tolerance> ,10 VIF <10	No multicollinearity
Heteroscedasticity	Glejser test KNSV CIR	,135 ,370	Sig > ,05	No heteroscedasticity
Autocorrelation	Durbin Watson	1,916	Du<DW<4-Du	No autocorrelation

Source: Data processed by SPSS 25, 2022

Table 3. Model conformity test results

Coefficients						
Model		**Unstandardized coefficients**		**Standardized coefficients**	**t**	**Sig.**
		B	**Std. Error**	**Beta**		
1	(Constant)	,177	,019		9,445	,000
	KNSV	1,644	,557	1,169	2,949	,004
	CIR	,265	,110	,542	2,404	,018
	KNSV_KI	-3,276	1,372	-,945	-2,388	,019
	CIR_KI	-,231	,266	-,196	-,867	,388

a. Dependent Variable: ETR
Uji F = 0.000
Adjusted R Square = 0.246, DW = 1.916

Source: SPSS Data processing 25

From the regression equation above, it can be explained as follows:

a. If no external influences have an impact on the energy sector company's valuation throughout the observation year, it is 0.177 or <1. If there is a 1% increase in the accounting conservatism variable, it will reduce tax avoidance by 1.644. If there is an increase of 1% of the capital intensity variable, it will increase the tax avoidance by 0,265. If there is an increase of 1% of the moderating variable between independent commissioners and accounting conservatism, it will increase tax avoidance by -3.276. Moreover, a 1% increase in the moderating variable between independent commissioners and capital intensity will increase tax avoidance by -0,231.

b. Table 2 demonstrates that this model fits since the F test result is less than 0.05. All independent factors have an impact on the dependent variable simultaneously.

c. At the Adjust R Square value of 0.246, the independent variables can affect 24.6% of the dependent variable.

d. Accounting conservatism and capital intensity have a positive effect on tax avoidance, as shown by the significant coefficient values in Table 2 of the T-test. The impact of accounting conservatism on tax avoidance may also be mitigated by having independent commissioners. Yet, impartial commissioners are unable to mitigate capital intensity's negative effect on tax avoidance.

4.2 Discussion

4.2.1 The effect of accounting conservatism on tax avoidance

The first hypothesis (H1) is accepted because based on research, accounting conservatism positively impacts tax avoidance. The impact of conservative accounting is expressed as a reduction in corporate earnings, which is the basis for calculating the income tax liability:

minimal profit and lower tax liability to pay. Accounting conservatism affects tax avoidance, but this is because asymmetric recognition of delayed revenue/profit recognition and accelerated cost/loss recognition makes tax avoidance practices conservatism by the relationship between receivables and sales. It is meant to be associated with taxable profits to increase business leader profits, reduce tax present value and increase business value.

The results of this study are in line with previous studies showing that accounting conservatism has a positive effect on tax avoidance Alfarasi & Muid [14], Pamungkas & Mildawati [22], Sundari & Aprilina [15], The principle of management prudence recognizes the returns and costs of dealing with risks that may arise based on agency theory. To explain that agents have more information than principals. Management uses accounting conservatism to minimize potential future risks.

4.2.2 The effect of capital intensity on tax avoidance

Research reveals that capital intensity affects tax avoidance in a favorable way, hence we accept the second hypothesis (H2).

The capital intensity of an organization measures the proportion of its total assets that are fixed. For tax purposes, depreciation may be applied to either fixed assets or working capital. Companies with large amounts of fixed assets tend to minimize taxes due to annual depreciation of fixed assets, as depreciation can reduce the tax burden. In this case, the higher the capital intensity value, the more likely the company will engage in tax avoidance activities, as management can use the fixed costs of fixed assets to reduce the tax burden.

Based on agency theory, this study shows that although management knows the company's financial situation better, other stakeholders do not know it. Furthermore, the company's management contributes to the allocation of investment in fixed assets so that the company's profits will impact by depreciation costs, which encourages tax avoidance.

This study is consistent with studies by Alfian et al., [20], Dwiyanti & Jati [16], Safitri and Fatahurrazak [19], and stating that capital intensity has a positive impact on tax avoidance. Companies that decide to invest in fixed assets can make depreciation costs a deductible expense from income. The company's taxable profit will decrease due to these depreciation costs, ultimately reducing the tax it must pay.

4.2.3 Independent commissioner in moderating accounting conservatism on tax avoidance

Based on the study's findings, independent commissioners can moderate the influence of accounting conservatism on tax avoidance. This means that the third hypothesis (H3) is accepted. This test shows that corporate governance is better when there are more independent commissioners.

In implementing accounting conservatism, independent board of commissioners oversees management. Under the oversight of the board of commissioners, the principles of accounting conservatism can only be applied appropriately, with management having specific objectives to achieve. In addition, using conservative accounting for only one example in the future does not mean that the tax avoidance principle will be applied to the company.

With independent commissioners, management is overseen in its efforts to avoid taxes by preparing the company's financial statements in accordance with conservative accounting principles.

4.2.4 Independent commissioner in moderating capital intensity on tax avoidance

Research shows that an independent commissioner is not a moderates variable in capital intensity for tax avoidance. This means that the fourth hypothesis (H4) has been rejected, implying that independent commissioners cannot moderates the impact of capital intensity on tax avoidance.

Based on the findings of the study, it was determined that the presence of an independent commissioners within the company was not a variable that correlated or weakened capital intensity with tax avoidance. The existence of an independent board of commissioners in a company should refrain from influencing management to use creative accounting in its financial statements.

The more impartial commissioners there are, the easier it is to keep tabs on how management is doing. This clarifies the effect that impartial commissioners have on tax avoidance. As a result, less effort will be put into tax avoidance, but it's difficult to have much of an impact via direct internal monitoring on tax avoidance that a corporation engages in. This is because independent commissioners can only oversee the performance management who continue to make decisions. The management's desire to avoid paying taxes cannot be directly curbed by the independent commissioner's authority.

5. CONCLUSION

1. Accounting conservatism has a positive effect on tax avoidance.

   When determining a company's tax savings, conservative accounting practices have the effect of lowering reported profits. This demonstrates that tax avoidance increases as financial statements get more cautious.

2. Capital intensity has a positive effect on tax avoidance.

   Fixed expenses for fixed assets may be used by managers to lower the company's taxable income. So, it follows that the level of corporate tax avoidance activity increases in tandem with the capital intensity of an organization.

3. The independent board of commissioners can moderate the effect of accounting conservatism on tax avoidance.

   An independent commissioner's goal is to discourage management from evading taxes by using accounting conservatism in the preparation of financial statements.

4. The independent board of commissioners cannot moderate the effect of capital intensity on tax avoidance.

   There will be no incentive for management to engage in creative accounting in the presence of an independent commissioner. Having impartial commissioners does not promote corporate tax avoidance.

COMPETING INTERESTS

Authors have declared that no competing interests exist.

REFERENCES

1. Waluyo. Indonesian Taxation Edition 12 Salemba 4;2017.
2. Fuad K. Public perspective on the level of tax compliance in Jepara. Journal of Profita. 2019;12(3):378.
3. Budiman NA. MSME tax compliance in kudus regency. Journal of Profita. 2018;11(2):218. Available:https://doi.org/10.22441/profita.2018.v11.02.005
4. Fitria G. The effect of institutional ownership, Independent commissioner, Executive character and size on tax avoidance (Empirical Study on Trade Sector Issuers Listed on IDX in 2014-2017). Journal of Profita. 2018;11(3):438–451. Available:https://doi.org/10.22441/profita.2018.v11.03.0068
5. Available: www.globalwitness.org; 2019.
6. Pohan A. Comprehensive discussion of Introduction to taxation, theories, and concepts of tax law. Media Discourse Partners; 2017.
7. Supriyono RA. Behavioral accounting. Salemba Four. 2018;63.
8. Rahayu SK. Taxation: Concepts and formal aspects. Engineering Science;2017.
9. Fitria GN, and Handayani R. Tax avoidance: An empirical study on consumer goods sector manufacturing companies in Indonesia. Journal of Research Accounting Tegal Polytechnic. 2019;8(1):251. Available:https://doi.org/10.30591/monex.v8i1.1263
10. Hery. Financial statement analysis. Grasindo; 2018.
11. Marlinda DE, Titisari KH, and Masitoh E. The effect of GCG, profitability, Capital intensity, and company size on tax avoidance. Economic: Journal of Economics and Business, 2020;4(1):39. Available:https://doi.org/10.33087/ekonomis.v4i1.86
12. Pramudya A, and Rahayu Y. The effect of profitability, leverage, independent board of commissioners, and audit committee on tax avoidance. Journal of Accounting Science and Research. 2021;10(2021).
13. Adi GK and Mildawati T. The effect of accounting conservatism, leverage, profitability, company size and fixal loss compensation on tax avoidance. Journal of

Accounting Science and Research. 2018; 7(11):1–20.

14. Alfarasi R, and Muid D. The effect of financial distress, conservatism, and sales growth on company tax avoidance (Empirical Study on Food and Beverage Companies Listed on IDX for the 2017-2019 Period). Diponegoro Journal Of Accounting. 2021;11(1):1–10.
15. Sundari N, and Aprilina V. The effect of accounting conservatism, fixed asset intensity, fiscal loss compensation, and corporate governance on tax avoidance. JRAK: Journal of Accounting Research and Computerized Accounting. 2017;8(1): 85–109.
    Available:https://doi.org/10.33558/jrak.v8i1.861
16. Anindyka D, Pratomo D, and Kurnia. The effect of leverage (Dar), Capital intensity and inventory intensity on tax avoidance (Study on Food and Minuan Companies on the Indonesia Stock Exchange (IDX) in 2011-2015. Journal of Accounting Economics. 2018;5(1):713–719.
17. Dwiyanti IAI, qand Jati IK. The Effect of profitability, Capital Intensity and inventory intensity on tax avoidance. Airlangga University Press. 2019;27(159):13-15.
18. Gumono CO. The effect of roa, leverage, and capital intensity on tax avoidance in jokowi-jk era mining companies indonesian accounting and taxation media. 2021; 2(2):125–138.
    Available:https://doi.org/10.37715/mapi.v2i2.1723
19. Safitri W, and Fatahurrazak. Capital intensity of moderation tax avoidance in manufacturing companies in the consumer goods industry sub-sector listed on the indonesia stock exchange (IDX) for the 2014-2017 period. Journal of Measurement Accounting. 2020;14(2):1–8.
20. Alfian N, Kusuma A, and Aina M. AKTIVA Journal of Accounting and Investment. 2020;4(1). AKTIVA Journal of Accounting and Investment. 2021;6(1):69–80.
21. Sarra HD. The effect of accounting conservatism, audit committee and independent board of commissioners on tax avoidance (Empirical study on chemical and metal industry in Indonesia stock exchange period 2010-2014). Competitive Journal of Accounting and Finance, 2017;1(1):63.
    Available:https://doi.org/10.31000/competitive.v1i1.108
22. Pamungkas DA, and Mildawati T. The effect of profitability, leverage, and sales growth on tax avoidance in manufacturing companies listed on the Indonesia Stock Exchange. Journal of Accounting Science and Research. 2020;9(10):1–18.

Peer-review history:
The peer review history for this paper can be accessed here:
https://www.sdiarticle5.com/review-history/97878