



To cite this article: Kezia Yosephine and Juniati Gunawan (2023). INFLUENCE OF PROFITABILITY, LEVERAGE, AND CAPITAL INTENSITY ON TAX AGGRESSIVENESS WITH COMPANY SIZE AS MODERATING VARIABLE, International Journal of Research in Commerce and Management Studies (IJRCMS) 5 (4): 115-132 Article No. 223 Sub Id 410

INFLUENCE OF PROFITABILITY, LEVERAGE, AND CAPITAL INTENSITY ON TAX AGGRESSIVENESS WITH COMPANY SIZE AS MODERATING VARIABLE

Kezia Yosephine and Juniati Gunawan

Universitas Trisakti, Faculty of Economics and Business,
Jakarta, Indonesia

*Corresponding Author: Juniati Gunawan

DOI: <https://doi.org/10.38193/IJRCMS.2023.5408>

ABSTRACT

The purpose of this study is to determine the impact of profitability, leverage, and capital intensity on tax aggressiveness, as well as the role of firm size in moderating the impact of profitability, leverage, and capital intensity on tax aggressiveness. In this study, the population consisted of 118 companies from the primary consumer goods industry sector that were listed on the Indonesia Stock Exchange (IDX). This study used a purposive sampling method to collect 160 data points from 32 companies in the primary consumer goods industry sector over 5 years, from 2017 to 2021. Multiple linear regression analysis and Moderated Regression Analysis (MRA) were used in this study and were tested using the IBM SPSS version 27 application. The results showed that profitability and capital intensity had a positive and significant influence on tax aggressiveness, whereas leverage did not influence tax aggressiveness. Furthermore, company size does not influence the influence of profitability on tax aggressiveness. Firm size, on the other hand, can moderate the positive influence of leverage and the negative influence of capital intensity on tax aggressiveness.

KEYWORDS: Tax Aggressiveness, Profitability, Leverage, Capital Intensity

1. INTRODUCTION

Taxation is a major source of state revenue that contributes significantly to the Indonesian State Budget (Kurba, 2020). This can be seen in the Central Government Financial Statements from year to year, which show that tax revenue realization is frequently at the highest level when it comes to providing support to state revenues. According to Article 1 paragraph (1) of Law Number 16 of 2009 regarding the fourth amendment to Law Number 6 of 1983 regarding General Provisions and Tax Procedures, taxes are obligatory contributions that must be given to the state by individuals or entities by force based on law, without direct reward, for the benefit of the state and the welfare of the people. Taxes, on the other hand, are viewed as a burden that can reduce a company's net profit and are contrary to the company's goal of maximizing profits (Wardana & Wulandari, 2021). This disparity



in interests motivates companies to implement tax avoidance strategies to reduce the amount of tax owed to be paid. According to Flamini et al. (2021), tax aggressiveness is all efforts made by companies to reduce the amount of income tax paid to the state.

This tax aggressiveness activity was carried out at various companies in various sectors in Indonesia, one of which was in the primary consumer goods sector. One of the tax aggressiveness methods used by companies is to control the level of company profitability. Profitability is the capability of a company to make a profit in a certain time (Stawati, 2020). The company's large capability to generate profits results in an increasingly high tax expense borne by the company. Another effort made by companies to carry out tax aggressiveness is to use external capital or debt as a source of funding. According to Muharramah & Hakim (2021), leverage is a ratio that measures the external capital used by the company to fund its operational activities. The high debt of the company has an impact on the higher interest expense on this debt, which then reduces the company's profit and impacts a reduced tax expense in that period (Faramitha et al., 2020). Investment planning in the form of fixed assets or capital intensity is also one of the efforts made by the company to reduce tax. The greater the capital intensity, the greater the depreciation expense that the company will bear, which will reduce the company's profit and lower the company's tax expense (Hidayat & Fitria, 2018). The level of profitability, leverage, and capital intensity of the company can be seen from the size of the company. In terms of profitability, company size makes a significant contribution to company profits because company size shows the number of assets owned by the company (Lorenza et al., 2020). On the other hand, the larger the size of a company, the greater the funds needed by the company to meet its operational needs. Companies will also find it easier to obtain large amounts of external capital, especially in the form of debt (Andika & Sedana, 2019). In addition, companies that are categorized as large companies also certainly have a lot of fixed assets because there is more capital that can be invested.

Much research has been done on tax evasion, some of which are studies conducted by Muriani (2019), Kurniawan (2019), Suprianto & Aqida (2020), Rahmadani et al. (2020), Utomo & Fitria (2020), Firmansyah et al. (2021), Khoirunnisa & Asih (2021), Wardana & Wulandari (2021), Suyanto & Sofiyanti (2022), Darsani & Sukartha (2022) with varying results. The originality or novelty of this research is that this research takes a sample of companies in the primary consumer goods sector for the period 2017 to 2021 and adds moderating variables in the form of company size.

Based on the background above, the purpose of this study was to determine the influence of profitability, leverage, and capital intensity on tax aggressiveness and the role of company size in moderating the influence of profitability, leverage, and capital intensity on tax aggressiveness in companies in the primary consumer goods industry sector that listed on the Indonesia Stock Exchange



for the 2017-2021 period. This research is expected to increase taxpayer awareness, provide input to the government on tax policies, and provide references for further researchers regarding the influence of profitability, leverage, and capital intensity on tax aggressiveness, as well as the role of firm size in moderating the relationship between profitability, leverage, and capital intensity with tax aggressiveness. The primary consumer goods industry sector over 5 years, from 2017 to 2021. Multiple linear regression analysis and Moderated Regression Analysis (MRA) were used in this study and were tested using the IBM SPSS version 27. The results showed that profitability and capital intensity had a positive and significant influence on tax aggressiveness, whereas leverage did not influence tax aggressiveness. Furthermore, company size does not influence the influence of profitability on tax aggressiveness. Firm size, on the other hand, can moderate the positive influence of leverage and the negative influence of capital intensity on tax aggressiveness.

2. LITERATURE REVIEW

Jensen et al. (1976) introduce agency theory which explains the agency relationship as an agreement between one or more principals who delegate authority to other parties, namely agents, to carry out something on the principal's behalf and make the best decisions for the principals. However, according to this theory, agency problems arise when principals and agents attempt to connect their respective ambitions that are not aligned with each other and when there is an information asymmetry between agents and principals (Mio et al., 2020). The owner of the company wants to get the maximum possible profit while the orientation of the agent is to get the maximum possible reward for his performance. Agents take advantage to maximize their profits because they know more about company conditions and internal information than the principals (Gunawan, 2017). In this study, agency theory is used to explain the influence of profitability, leverage, and capital intensity on tax aggressiveness.

Profitability encourages the owner (principal) to carry out tax aggressiveness because the owner wants to maximize efforts to save taxes so that the company's profits increase (Alkausar et al., 2020). Companies with high profits are known to have sufficient resources to engage in advanced tax planning. Darsani & Sukartha (2021), Pitaloka & Merkusiwati (2019), Olivia et al. (2019), as well as Napitu & Kurniawan (2016) concluded that the value of return on assets has a positive impact on tax aggressiveness. According to Chen et al. (2021), companies that have high profitability have a greater opportunity to carry out tax planning efforts more freely, which can reduce the total burden of tax payable. The following hypothesis can be drawn from this:

H1: Profitability has a positive influence on tax aggressiveness

On the other hand, agents who know more about the condition can more easily arrange business strategies in their favor to obtain compensation (Ramdhania & Kinasih, 2021). Debt planning is also carried out which then uses the debt to generate interest expenses which can be a deduction from

taxable income. The majority of companies that use debt capital as a source of financing have a lower profit before tax than companies that finance their operations with internal capital (Anggriantari & Purwantini, 2020). Rahmadani et al. (2020), Widodo & Wulandari (2021), and Awaliyah et al. (2021) on their research are mentioning that a large level of leverage in a company will always have an impact on a large interest expense as well. This interest expense is a cost that can be deducted from taxable income so that it will reduce taxable profit. Based on this, the hypotheses that can be concluded in this study are:

H2: Leverage has a positive influence on tax aggressiveness

Fixed asset planning is another way for agents to minimize the taxes paid by the company. Capital intensity is a measure of how much a company invests in fixed assets. Increasing the value of fixed assets will increase the depreciation expense (Puspita & Febrianti, 2017). The depreciation expense can be deducted from pre-tax income which can then reduce the taxes paid. Research conclusions from Suprianto & Aqida (2020) and Darsani & Sukartha (2021) stated that capital intensity has a positive impact on tax aggressiveness. This means that the greater the capital intensity of a company, the greater the tax aggressiveness carried out by the company. In line with this research, the hypothesis in this study is:

H3: Capital intensity has a positive influence on tax aggressiveness

Company size is used as a scale to divide the large and small classes of companies which will be disclosed in total assets as well as the market value of the shares (Herlinda & Rahmawati, 2021). This study uses signal theory to explain how firm size can affect profitability, leverage, and capital intensity on tax aggressiveness. Signal Theory was first introduced by Spence (1973) in his journal under the title "Job Market Signaling". This theory focuses on the problems faced by decision-makers in making strategic decisions due to information asymmetry between companies and stakeholders. If the company conveys positive information, of course, this will describe good company performance so that it can assure stakeholders (Moratis, 2018).

The bigger the company, the bigger the profit, which results in a large tax expense. This is supported by research conducted by Amiah (2022) and Afifah et al. (2021) which concludes that the greater the company's size, the greater the profit generated by the company, causing the tax expense to increase. To increase optimal profit to please and attract investors, the company also plans a strategy to reduce the tax expense to increase the profit generated so that the tax aggressiveness of the company is increasing. Based on this, the hypothesis formulated in this study is:

H4: Firm size moderates the positive influence of profitability on tax aggressiveness

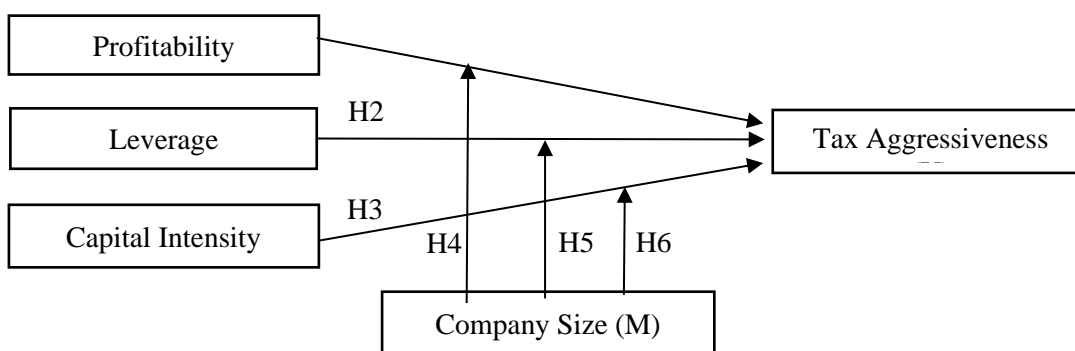
According to Mallinguh et al. (2020), the extent to which the company uses sources of funds from

external capital is the definition of leverage. Following the signal theory, the larger the size of the company, the better the assessment of stakeholders, especially investors, of the company because the company is considered stable in running its business (Sintyana & Artini, 2019). This boosts the trust of investors in the company, making it easier to obtain external capital or debt. The company also uses interest expenses resulting from the use of debt to reduce taxable profits, which can then be used to reduce the tax expense that the company must pay (Widagdo et al., 2020). In line with research conducted by Khoirunnisa & Asih (2021) and Widyastuti et al. (2022), the hypothesis in this study is: **H5: Firm size moderates the positive influence of leverage on tax aggressiveness**

The size of the company can be shown by the number of fixed assets owned by the company (Widagdo et al., 2020). In line with signal theory, large companies with high fixed assets tend to be assessed as having good and stable performance by stakeholders. Large resources and high trust from investors, create opportunities for companies to set strategies by planning fixed assets. This is done by the company to reduce the tax expense that needs to be paid because many fixed assets will result in a high depreciation expense which can ultimately reduce the tax expense that must be paid (Amiah, 2022). Legowo et al. (2021) and Muliawati & Karyada (2020) concluded that the more fixed assets a company has, the more depreciation expenses generated which can reduce the company's taxable profit. In line with this research, the research hypothesis is:

H6: Firm size moderates the positive influence of capital intensity on tax aggressiveness

The research model for this study is as follows:



3. METHODS

The data used in this study is quantitative data with an approach that refers to hypothesis testing on variables such as profitability, leverage, capital intensity, firm size, and tax aggressiveness. This study uses secondary data on the population of companies in the primary consumer goods industry sector which are listed on the Indonesia Stock Exchange (IDX) for the 2017-2021 period. The data is processed and analyzed in a computer application program, namely IBM SPSS version 27.

3.1 Measures

This study uses one dependent variable, three independent variables, and one moderating variable. The dependent variable in this study is tax aggressiveness, while the independent variables are profitability, leverage and capital intensity. The moderating variable used in this study is company size. Presentation of research variables and their measurement scale is as follows:

Table 1: Research Variables and Measurement Scales

<i>Variable</i>	<i>Indicator</i>	<i>Scale</i>
Tax Aggressiveness (ETR)	$\frac{\text{Tax Expense}}{\text{Income before Tax}}$	Ratio
Profitability (ROA)	$\frac{\text{Net Income}}{\text{Total Assets}}$	Ratio
Leverage (DAR)	$\frac{\text{Total Liabilities}}{\text{Total Assets}}$	Ratio
Capital Intensity (CINT)	$\frac{\text{Fixed Assets}}{\text{Total Assets}}$	Ratio
Company Size (SIZE)	$\log(\text{Total Assets})$	Ratio

In testing the hypothesis, this study multiplies the ETR results by (-1) because the ETR value is inversely related to tax aggressiveness. This aims to clarify the interpretation of the results of the hypothesis test, especially the t-test so that it is consistent with the proposed hypothesis. In this case, the interpretation of the subsequent conclusions is that if the ETR is higher, tax aggressiveness will be higher as well, and vice versa.

3.2 Data Collection and Sampling Technique

The type of data used in this study is secondary data. The secondary data used is the financial reporting of companies in the primary consumer goods sector for the 2017-2021 period obtained from the official website of the Indonesia Stock Exchange (IDX), namely www.idx.co.id. The technique used in determining the sample in this study is a purposive sampling technique with several criteria, specifically primary consumer goods sector companies listed on the IDX in a row for 2017-2021, displaying financial reporting in Rupiah, and generating positive profits in a row 2017-2021 to avoid bias in measuring tax aggressiveness due to fiscal loss compensation if the company generates negative taxable profit or suffers a loss.

3.3 Data Analysis Technique

Data processing and analysis are carried out after all the required research data has been collected. Data analysis carried out in this study included descriptive statistical tests to explain the average value, maximum and minimum value, and standard deviation of the research data. In addition, the classical

assumption test was carried out in order to obtain the appropriate regression model. The optimal regression model is a regression model that has fulfilled a series of classic assumption tests and has no symptoms of normality, multicollinearity, autocorrelation, and heteroscedasticity. Hypothesis testing is carried out to prove the acceptance or rejection of the proposed hypothesis, the significance of the influence, and the direction of the influence of the independent variables on the dependent variable.

4. RESULT AND DISCUSSION

Based on the process of determining the sample based on the specified criteria, it is known that out of a population of 118 companies in the primary consumer goods sector that are registered on the IDX, only 80 companies are listed consecutively in 2017-2021. In addition, 2 companies present financial reports in foreign currencies, and 42 companies experience losses in the 2017-2021 period. 4 companies are data outliers in the study because they have ETR values that are far from the average value of all companies. Based on this process, 32 companies were obtained as samples for this study with a research period of 5 years, namely from 2017 to 2021 with a total of 160 observational data. The characteristics of the data used are panel data which is data with cross-section and time series characteristics. The cross-section is shown by the number of samples of more than one company (32 companies), while the time series is shown by the sample period of each company which is more than one (2017-2021).

4.1 Descriptive Statistics Test

The variables tested descriptively in this study were tax aggressiveness by proxy effective tax rate (ETR) as the dependent variable, profitability (ROA), leverage (DAR), and capital intensity (CINT) as independent variables with firm size (SIZE) as a moderating variable. The results of descriptive statistical tests on the variables in this study can be seen in the following table:

Table 2: Descriptive Statistical Test

	<i>N</i>	<i>Minimum</i>	<i>Maximum</i>	<i>Mean</i>
ROA	160	0.002	0.31	0.0906
DAR	160	0.108	0.81	0.4133
CINT	160	0.017	0.76	0.3409
SIZE	160	11,934	19.00	15.6827
ETR	160	0.148	0.40	0.2524

Based on descriptive statistical tests, column N shows that the number of samples used in each variable in this study is 160 samples originating from primary consumer goods sector companies that were listed consecutively on the IDX in 2017-2021 and are in accordance with the research criteria predetermined. The average value of each variable is explained in the mean column while the smallest

and largest values for each variable are in the minimum and maximum columns.

4.2 Classic Assumption Test

This test consists of normality test, multicollinearity test, autocorrelation test, and heteroscedasticity test and was conducted to test whether the residual values are normally distributed in the regression equation. Normality test using One-Sample Kolmogorov-Smirnov Test shows that the significance value is 0.200 which is greater than 0.05 after removing the outlier data which means that the data in this research were normally distributed. The results of the multicollinearity test shows that all independent variables in this research have tolerance value of more than 0.10 and a VIF value of less than 10, which means that there is no multicollinearity between the independent variables in this study's regression model. The significance value of the Run Test used for autocorrelation test is 0.428, this value exceeds 0.05 which means that the linear regression model does not have autocorrelation problems. Results for heteroscedasticity test shows that the significance value of each independent variable is more than 0.05, which means that there is no heteroscedasticity problem in the linear regression model.

4.3 Hypothesis Test

4.3.1 Multiple Linear Regression Analysis

This research has two regression models. The first regression model was tested using Multiple Linear Regression Analysis to test the influence of the independent variables (profitability, leverage, and capital intensity) on the dependent variable, namely tax aggressiveness. The first regression model is as follows:

$$\text{Regression Model 1:} \\ ETR = \alpha + \beta_1ROA + \beta_2DAR + \beta_3CINT + \varepsilon$$

Table 3: Analysis of the First Regression Model

	<i>B</i>	<i>std. Error</i>	<i>Betas</i>	<i>t</i>	<i>Sig.</i>
<i>(Constant)</i>	-0.284	0.014		-20,289	0.000
ROA	0.195	0.062	0.251	3,176	0.002
DAR	-0.009	0.021	-0.034	-0.436	0.664
CINT	0.051	0.022	0.181	2,376	0.019

4.3.2 Moderated Regression Analysis

Moderated Regression Analysis was conducted to test the second regression model by multiplying the moderating variable which is firm size, and each independent (variable profitability, leverage, and capital intensity). Moderating variable is a variable that influences the strength or direction of the relationship between the independent variables and the independent variables. The second regression

model can be seen below:

Regression Model 2:

$$ETR = \alpha + \beta_1ROA + \beta_2DAR + \beta_3CINT + \beta_4ROA*SIZE + \beta_5DAR*SIZE + \beta_6CINT*SIZE + \varepsilon$$

4.3.3 Determinant Coefficient Test

Determinant coefficient test measures how much the variation in the dependent variable can be explained by the independent variables in the regression model. The test results for the coefficient of determination (adjusted R2 value) show a value of 0.080. This means that 8% of the dependent variable is influenced by all independent variables in this study. While the remaining 91.9% (100% - 8.1%) is explained by other variables not explained in this study.

4.3.4 Simultaneous Significant Test (f Test)

The f test is used to test whether the independent variables simultaneously have a significant influence on the dependent variable in a multiple linear regression model. The results of the f test shown that that the calculated F value is 5.627 which is greater than the F table value (2.663) with a significance value of 0.001 which is less than 0.05. Based on this, it can be concluded that all independent variables jointly and significantly influence tax aggressiveness.

4.3.5 Partial Test (t-test)

The T test was conducted to test the influence of the independent variables partially on the dependent variable. The presentation of the results of the t test is contained in the following table:

Table 3: T-test

	<i>Directional expectations</i>	<i>B</i>	<i>t</i>	<i>Prob. 1 tailed</i>	<i>Prob. 2 tailed</i>	<i>Decision</i>
(Constant)		-0.284	-20,289	0.000		
ROA	+	0.195	3,176	0.002	0.001	H ₁ is accepted
DAR	+	-0.009	-0.436	0.664	0.332	H ₂ is rejected
CINT	+	0.051	2,376	0.019	0.009	H ₃ is accepted
ROA*SIZE	+	-0.037	-1,240	0.217	0.108	H ₄ is rejected
DAR*SIZE	+	0.032	3,144	0.002	0.001	H ₅ accepted
CINT*SIZE	+	-0.035	-2,589	0.011	0.005	H ₆ is rejected

Based on the results of the t test in the table above, it is known that the profitability coefficient value shows a positive result of 0.195. This means that the hypothesis stating that profitability (X1) has a positive influence on tax aggressiveness (Y) can be proven. The p-value (Sig.) is 0.001 < 0.025 and the calculated t-value is 3.176 > 1.97539. It can be concluded that profitability has a positive and



significant influence on tax aggressiveness so that H1 is accepted.

The coefficient value on the results of the t test on the influence of leverage on tax aggressiveness shows a value of -0.009. The p-value (Sig.) is $0.332 > 0.025$ and the calculated t-value is $0.436 < 1.97539$ which means that leverage has no significant influence on tax aggressiveness, so H2 of this study is rejected.

The coefficient value of the influence of capital intensity on tax aggressiveness is positive at 0.051. Therefore, the hypothesis which states that capital intensity (X3) has a positive influence on tax aggressiveness (Y) is proven. The p-value (Sig.) is $0.009 < 0.025$ and the calculated t-value is $2.376 > 1.97539$. It can be concluded that capital intensity has a positive and significant influence on tax aggressiveness, so H3 is accepted.

The value of the moderating coefficient of company size on profitability on tax aggressiveness shows a value of -0.037 which means that company size strengthens the negative influence of profitability on tax aggressiveness. However, the p-value (Sig.) is $0.108 > 0.025$ and the t-value is $1.240 < 1.97539$ which means that company size has no significant influence in moderating the relationship between profitability and tax aggressiveness. Therefore, H4 of this study was rejected.

The moderating coefficient value of firm size on leverage on tax aggressiveness shows a positive value of 0.032. This means that the hypothesis which states that firm size strengthens the positive influence of leverage on tax aggressiveness can be proven. Meanwhile, the p-value (Sig.) is $0.001 < 0.025$ and the t-value is $3.144 > 1.97539$ which means that company size has a significant influence in moderating the relationship of leverage to tax aggressiveness, so that H5 of this study is accepted.

The value of the moderation coefficient of firm size on capital intensity on tax aggressiveness shows a negative value of 0.032. This means that the hypothesis which states that firm size strengthens the positive influence of capital intensity on tax aggressiveness is not proven. Meanwhile, the p-value (Sig.) is $0.005 < 0.025$ and the t-value is $2.589 > 1.97539$ which means that company size negatively moderates or weakens the relationship between capital intensity and tax aggressiveness, so H6 of this study is rejected.

4.4 Discussion

4.4.1 Influence of Profitability on Tax Aggressiveness

Based on the research results, the hypothesis which states that profitability has a positive and significant influence on tax aggressiveness is acceptable. The higher the profit owned by the company, the greater the tax expense borne by the company which can reduce the profit received by the owner of the company. This will certainly be detrimental to the company owner because the company owner

wants optimal profits directly.

In line with agency theory, each party will prioritize its interests. Agents who have more information about the company try to get compensation or rewards for their performance so that agents will try their best to maximize company profits by carrying out tax aggressiveness (Alkausar et al., 2020). Large profits indicate that the company also has large and adequate resources or assets. The higher the resources owned, the more freedom for agents to develop strategies such as profit planning and tax planning more maturely to reduce the burden of tax payable (Yauris & Agoes, 2019). These results are in line with the research conducted by Wardana & Wulandari (2021) as well as Herlinda & Rahmawati (2021) which states that profitability has a positive and significant influence on tax aggressiveness.

4.4.2 Influence of Leverage on Tax Aggressiveness

Based on the test results conducted, H2 in this study which stated that leverage had a positive influence on tax aggressiveness was rejected and it was concluded that leverage proxied by the debt-to-asset ratio (DAR) did not have a significant influence on tax aggressiveness. Gajurel et al. (2020) aligned with Arianandini & Ramantha (2018) revealed that the capital structure policy which is the use of debt against the company's funding sources, has a high risk for the company. The higher the use of debt, the higher the burden of interest costs borne by the company which can then increase the risk of liquidation to bankruptcy if the company is unable to pay off its debts.

Following agency theory, the owner of the company wants to receive optimal profit while the agent tries to get compensation for his performance. Agents also try to arrange business strategies in their interests to get this compensation (Ramdhanian & Kinasih, 2021). Errors in determining the capital structure, especially the use of leverage, can be bad for the company and can lead to bankruptcy due to fulfilling obligations due to high levels of debt (Ariwangsa, 2021). Agents must be careful and tend to choose other avenues such as asset or inventory planning to reduce the tax expense and avoid using leverage (Anindyka et al., 2018). The results of this study are in line with the results of research conducted by Arianandini & Ramantha (2018), Susilowati et al. (2020), and Wardana & Wulandari (2021) which proves that leverage does not influence tax aggressiveness.

4.4.3 Influence of Capital Intensity on Tax Aggressiveness

The results of the t-test above indicate that capital intensity has a positive influence on tax aggressiveness so H3 in this study is accepted. These results prove that high capital intensity increases tax aggressiveness by companies. In line with agency theory, company principals have different interests but have one goal with agents, namely obtaining optimal company profits (Ramdhanian & Kinasih, 2021). Agents have more information than company principals because they are directly in



charge of the company, so agents take advantage of this to gain their interests, which refers to compensation for their performance.

According to (Romadhina, 2020), an increase in fixed assets also means an increase in the company's depreciation expense. This depreciation expense can be deducted from the company's income which can then reduce the company's tax expense. This is also used by agents to reduce the tax expense that must be paid by the company to obtain optimal company profits (Yanti & Ismail, 2021). This is in line with the research conducted by Suyanto & Sofiyanti (2022), Romadhina (2020), as well as Hidayat & Fitria (2018) which states that capital intensity has a positive influence on tax aggressiveness.

4.4.4 Influence of Company Size in Moderating Profitability on Tax Aggressiveness

The test results above state that H4 which states company size can moderate profitability against tax aggressiveness is rejected. The results above also show expectations in a negative direction. The scale of the company can be seen from the income and total assets disclosed in the financial statements. In line with signal theory, companies with high levels of profitability attract positive interest from the public, especially investors, and also increase more attention from the government (Fitri & Munandar, 2018). This supervision from the government makes companies tend to avoid tax problems by not carrying out tax aggressiveness so as not to be subject to sanctions and/or tax penalties (Putra & Jati, 2018).

Large companies also tend to have large profits, have good resources, and have mature tax management so that they can pay their taxes and do not need to take tax aggressiveness (Suyanto & Kurniawati, 2022). This conclusion is in line with research conducted by Utomo & Fitria (2021) as well as Putra & Jati (2018) which states that company size cannot moderate the relationship between profitability and tax aggressiveness.

4.4.5 Influence of Company Size in Moderating Leverage on Tax Aggressiveness

Based on the t-test above, company size can have a significant influence in moderating the influence of leverage on tax aggressiveness so that H5 of this study can be accepted. The small scale of the company can be measured by the total assets it has in the financial statements. In line with signal theory, large companies tend to be valued well by stakeholders because companies are considered to have good performance in running their business and are easier to gain the trust of investors (Sintyana & Artini, 2019). Companies can also more easily obtain sources of funds from external sources which then encourage companies to use debt in managing their resources.

Large-scale companies certainly have greater assets, capital, and debt than small-scale companies. This is because small-scale companies tend to be more careful and find it more difficult to obtain



external capital due to the high risk of paying off debt (Rahmadani et al., 2020). In order to maintain income, large companies carry out debt planning and take advantage of the interest expense resulting from the use of debt (Widagdo et al., 2020). This interest expense can reduce the taxable profit and tax expense that must be paid by the company (Cahyadi et al., 2020). These results are in line with research conducted by Khoirunnisa & Asih (2021) as well as Widyastuti et al. (2022) which also proves that leverage moderated by firm size can strengthen the positive influence on tax aggressiveness.

4.4.6 Influence of Company Size in Moderating Capital Intensity on Tax Aggressiveness

Based on the results of the tests conducted, company size negatively moderates or weakens the influence of capital intensity on tax aggressiveness so that H6 of this study is rejected. Company size is used as a scale to measure the size of the company (Herlinda & Rahmawati, 2021). This result is supported by the signal theory which states that if a company conveys positive information, it can make a good impression on society (Moratis, 2018). The bigger the company, the company can be considered stable in running its business which can then attract public interest, especially investors (Atiningsih & Izzaty, 2021).

Even though the depreciation expense resulting from the capital intensity in large companies is relatively high, more attention from investors and the public towards companies will make companies more careful in managing their business. Government supervision of large companies also tends to be tighter. Therefore, large companies with high capital intensity tend to reduce their tax aggressiveness to improve a good image for investors and the public (Utomo & Fitria, 2021). These results support the research conducted by (Fitri & Munandar, 2018) and (Utomo & Fitria, 2021) which state that firm size weakens the relationship between capital intensity and tax aggressiveness.

5. CONCLUSION

Based on the results of data analysis as described above, the conclusion obtained in this study is that profitability has a positive and significant influence on tax aggressiveness, which means that the higher the level of profitability owned by a company, the higher the tax aggressiveness of the company. Another result obtained is that leverage has no significant influence on tax aggressiveness. The company considers that the use of debt to reduce the tax expense to be paid has a high enough risk that the company tends to avoid this. Capital intensity has a positive and significant influence on tax aggressiveness. Company size as a moderating variable is not able to moderate the influence of profitability on tax aggressiveness because large companies that tend to have high profits prefer to carry out tax obligations correctly and avoid tax penalties so there is no need to take tax aggressiveness. However, company size can moderate the positive influence leverage to tax aggressiveness, which means that the larger the company, the greater the company's ability to obtain



external capital (debt) which then utilizes the interest expense on the debt as a deduction from taxable profit. Company size is known to moderate the negative influence or weaken the influence of capital intensity on tax aggressiveness because large companies with high capital intensity tend to be paid more attention by the public and investors so they choose to reduce their tax aggressiveness to maintain a good image in the public eye.

Furthermore, the implication that can be conveyed to taxpayers is that companies can increase resources so that they can manage taxes effectively and correctly. Companies can take advantage of programs and tax incentives provided by the government to reduce the company's tax expenses so that company profits become more optimal. For government, especially the Directorate General of Taxation can improve the supervision of taxpayers as a preventive measure against tax aggressiveness. The government can also open a complaint channel or a service-level agreement mechanism if indications of tax aggressiveness are found by the public.

This study has several limitations. The research period was only carried out from 2017 to 2021 because several companies had not published their 2022 financial reports, there is also a sample reduction caused by removing outlier data for 4 companies so that the data tested was limited to 32 companies, as well as the results research that only produces a coefficient of determination of 8% which means that there are still other variables that can influence tax aggressiveness. Future researchers can expand the research period so that more samples are analyzed, another variable related to tax aggressiveness can also be added such as inventory intensity, liquidity, or corporate social responsibility. In addition, future researchers can also use other proxies to measure tax aggressiveness so that comparisons can be made between the results of different proxies.

REFERENCES

- [1] Afifah, N., Sunarta, K., & Fadillah, H. (2021). Influence of Company Size, Profitability and Capital Structure on Tax Avoidance. *Student Online Journal (JOM) in Accounting*. <https://jom.unpak.ac.id/index.php/akuntansi/article/view/1613>
- [2] Alkausar, B., Lasmana, M. S., & Soemarsono, P. N. (2020). Tax Aggressiveness: A Meta-Analysis in the Perspective of Agency Theory. *The International Journal of Applied Business*, 4(1), 52–62.
- [3] Amiah, N. (2022). Profitability, Capital Intensity and Tax Avoidance: Company Size as a Moderating Variable. *LITERA: Journal of Accounting Literacy*, 63–73.
- [4] Andika, I. K. R., & Sedana, I. B. P. (2019). Effect of Profitability, Asset Structure, and Company Size on Capital Structure. *Udayana University Management E-Journal*, 8(9), 5803. <https://doi.org/10.24843/ejmunud.2019.v08.i09.p22>
- [5] Anggriantari, C. D., & Purwantini, A. H. (2020). Effect of Profitability, Capital Intensity, Inventory Intensity, and Leverage on Tax Avoidance. *Business and Economics Conference in Utilization of Modern Technology Magelang*.
- [6] Anindyka, D., Pratomo, D., & Kurnia. (2018). Effect of Leverage (DAR), Capital Intensity, and Inventory Intensity on Tax Avoidance. *E-Proceeding of Management*, 5(1), 1–7.
- [7] Arianandini, P. W., & Ramantha, I. W. (2018). Effect of Profitability, Leverage, and Institutional Ownership on Tax Avoidance. *E-Journal of Accounting*, 2088. <https://doi.org/10.24843/eja.2018.v22.i03.p17>
- [8] Ariwangsa, I. G. N. O. (2021). Business Risk and Capital Structure of Companies Joined in LQ-45., 7(2), 359–364.



- [9] Atiningsih, S., & Izzaty, K. N. (2021). The Influence of Firm Size on Company Value with Profitability as Intervening Variable and Dividend Policy as Moderating Variable. *Business and Accounting Research (IJEBA)*, 5, 378–388.
- [10] Awaliyah, M., Nugraha, G. A., & Danuta, K. S. (2021). Effect of Capital Intensity, Leverage, Liquidity and Profitability on Tax Aggressiveness. *Batanghari Jambi University Scientific Journal*, 21(3), 1222. <https://doi.org/10.33087/jiubj.v21i3.1664>
- [11] Cahyadi, H., Surya, C., Wijaya, H., & Salim, S. (2020). The Effect of Liquidity, Leverage, Capital Intensity, and Company Size on Tax Aggressiveness. *STATERA: Journal of Accounting and Finance*, 2(1), 9–16. <https://doi.org/10.33510/statera.2020.2.1.9-16>
- [12] Chen, Z., Kemsley, D., & Sivadasan, P. (2021). The Comprehensive Tax Gain from Leverage. *European Accounting Review*, 30(2), 381–403. <https://doi.org/10.1080/09638180.2020.1761851>
- [13] Darsani, P. A., & Sukartha, I. M. (2021). The Influence of Institutional Ownership, Profitability, Leverage and Capital Intensity Ratio on Tax Avoidance. *American Journal of Humanities and Social Sciences Research*, 5(1), 13–22. www.ajhssr.com
- [14] Faramitha, C. Y., Husen, S., & Anhar, M. (2020). The Effect of Business Risk on Tax Avoidance with Leverage as an Intervening Variable. *Journal of Accounting and Management*, 17(01), 73–81.
- [15] Fitri, R. A., & Munandar, A. (2018). The Influence of Corporate Social Responsibility, Profitability, and Leverage toward Tax Aggressiveness with Size of Company as Moderating Variable. *Binus Business Review*, 9(1), 63. <https://doi.org/10.21512/bbr.v9i1.3672>
- [16] Flamini, G., Vola, P., Songini, L., & Gnan, L. (2021). The determinants of tax aggressiveness in family firms: An investigation of italian private family firms. *Sustainability (Switzerland)*, 13(14). <https://doi.org/10.3390/su13147654>
- [17] Gajurel, D., Dungey, M., Yao, W., & Jeyasreedharan, N. (2020). Jump Risk in the US Financial Sector. *Economic Record*, 96(314), 331–349. <https://doi.org/10.1111/1475-4932.12565>
- [18] Gunawan, J. (2017). The Effect of Corporate Social Responsibility and Corporate Governance on Tax Aggressiveness. *Accounting journal*, 21(3), 425–436. <https://doi.org/10.24912/ja.v21i3.246>
- [19] Herlinda, A. R., & Rahmawati, M. I. (2021). Effect of Profitability, Liquidity, Leverage, and Company Size on Tax Aggressiveness. *Journal of Accounting Science and Research*, 10(1).
- [20] Hidayat, A. T., & Fitria, E. F. (2018). Effect of Capital Intensity, Inventory Intensity, Profitability and Leverage on Tax Aggressiveness. *EKSIS*, 13(2), 157–168.
- [21] Jensen, M. C., Meckling, W. H., Benston, G., Canes, M., Henderson, D., Leffler, K., Long, J., Smith, C., Thompson, R., Watts, R., & Zimmerman, J. (1976). Theory of the Firm: Managerial Behavior, Agency Costs and Ownership Structure. In *Journal of Financial Economics* (Issue 4). Harvard University Press. <http://hupress.harvard.edu/catalog/JENTHF.html>
- [22] Khoirunnisa, M., & Asih, Y. B. (2021). The Influence of Liquidity, Inventory Intensity, Leverage, and Company Size on Tax Aggressiveness in Pharmaceutical Companies. *Indonesian Journal of Economy, Business, Entrepreneurship and Finance*, 1(3), 245–257.
- [23] Kurba, M. I. H. (2020). *Taxes and Non-Taxes: Similar But Not the Same*. <https://anggaran.kemenkeu.go.id>. (accessed: 20 January 2023)
- [24] Legowo, W. W., Florentina, S., & Firmansyah, A. (2021). Tax Aggressiveness of Trading Companies in Indonesia: Profitability, Capital Intensity, Leverage, and Company Size. *Journal of Accounting Development*, 8(1), 84–108.
- [25] Lorenza, D., Kadir, Muh. A., & Sjahrudin, H. (2020). The Effect of Capital Structure and Company Size on Profitability in Automotive Companies Listed on the Indonesia Stock Exchange. *Journal of Management Economics*, 6(1), 13–20.
- [26] Mallinguh, E., Wasike, C., & Zoltan, Z. (2020). The business sector, firm age, and performance: the mediating role of foreign ownership and financial leverage. *International Journal of Financial Studies*, 8(4), 1–16. <https://doi.org/10.3390/ijfs8040079>
- [27] Mio, C., Fasan, M., Marcon, C., & Panfilo, S. (2020). The predictive ability of legitimacy and agency theory after the implementation of the EU directive on non-financial information. *Corporate Social Responsibility and Environmental Management*, 27(6), 2465–2476. <https://doi.org/10.1002/csr.1968>
- [28] Moratis, L. (2018). Signalling responsibility? Applying signalling theory to the ISO 26000 standard for social responsibility. *Sustainability (Switzerland)*, 10(11). <https://doi.org/10.3390/su10114172>
- [29] Muharramah, R., & Hakim, M. Z. (2021). Effect of Firm Size, Leverage, and Profitability on Firm Value. Proceedings of the National Seminar on Economics and Business. <https://doi.org/10.32528/psneb.v0i0.5210>



- [30] Muliawati, I. A. P. Y., & Karyada, I. P. F. (2020). Effect of Leverage and Capital Intensity on Tax Aggressiveness with Independent Commissioner as Moderating Variable. *Hita Accounting and Finance Hindu University of Indonesia*.
- [31] Napitu, A. T., & Kurniawan, C. H. (2016). Analysis of the Factors Influencing the Tax Aggressiveness of Manufacturing Companies on the Indonesia Stock Exchange. *Symposium Nasional Akuntansi XIX*.
- [32] Olivia, I., & Dwimulyani, S. (2019). The Effect of Thin Capitalization and Profitability on Tax Avoidance with Institutional Ownership as Moderating Variables. *Proceedings of the 2nd National Expert Seminar 2019, Book 2: Social and Humanities*.
- [33] Pitaloka, S., & Merkusiwati, N. K. L. A. (2019). Effect of Profitability, Leverage, Audit Committee, and Executive Character on Tax Avoidance. *E-Journal of Accounting*, 1202. <https://doi.org/10.24843/eja.2019.v27.i02.p14>
- [34] Puspita, D., & Febrianti, M. (2017). Factors Influencing Tax Avoidance in Manufacturing Companies on the Indonesia Stock Exchange. *Journal of Business and Accounting*, 19(1), 38–46. <http://www.tsm.ac.id/JBA>
- [35] Putra, N. T., & Jati, I. K. (2018). Firm Size As a Moderating Variable The Effect of Profitability on Tax Avoidance. *E-Journal of Accounting*, 1234. <https://doi.org/10.24843/eja.2018.v25.i02.p16>
- [36] Rahmadani, Muda, I., & Abubakar, E. (2020). Effect of Company Size, Profitability, Leverage, and Profit Management on Tax Avoidance Moderated by Political Connection. *Journal of Accounting and Finance Research*, 8(2), 375–392. <https://doi.org/10.17509/jrak.v8i2.22807>
- [37] Ramdhania, D. Z., & Kinasih, H. W. (2021). Effect of Company Size, Profitability, Leverage, and Profit Management on Tax Avoidance Moderated by Political Connection. *Journal of Accounting and Finance Research*, 10(2), 93–106.
- [38] Afifah, N., Sunarta, K., & Fadillah, H. (2021). Influence of Company Size, Profitability and Capital Structure on Tax Avoidance. *Student Online Journal (JOM) in Accounting*. <https://jom.unpak.ac.id/index.php/akuntansi/article/view/1613>
- [39] Alkausar, B., Lasmana, M. S., & Soemarsono, P. N. (2020). Tax Aggressiveness: A Meta-Analysis in the Perspective of Agency Theory. *The International Journal of Applied Business*, 4(1), 52–62.
- [40] Amiah, N. (2022). Profitability, Capital Intensity and Tax Avoidance: Company Size as a Moderating Variable. *LITERA: Journal of Accounting Literacy*, 63–73.
- [41] Andika, I. K. R., & Sedana, I. B. P. (2019). Effect of Profitability, Asset Structure, and Company Size on Capital Structure. *Udayana University Management E-Journal*, 8(9), 5803. <https://doi.org/10.24843/ejmunud.2019.v08.i09.p22>
- [42] Anggriantari, C. D., & Purwantini, A. H. (2020). Effect of Profitability, Capital Intensity, Inventory Intensity, and Leverage on Tax Avoidance. *Business and Economics Conference in Utilization of Modern Technology Magelang*.
- [43] Anindyka, D., Pratomo, D., & Kurnia. (2018). Effect of Leverage (DAR), Capital Intensity, and Inventory Intensity on Tax Avoidance. *E-Proceeding of Management*, 5(1), 1–7.
- [44] Arianandini, P. W., & Ramantha, I. W. (2018). Effect of Profitability, Leverage, and Institutional Ownership on Tax Avoidance. *E-Journal of Accounting*, 2088. <https://doi.org/10.24843/eja.2018.v22.i03.p17>
- [45] Ariwangsa, I. G. N. O. (2021). Business Risk and Capital Structure of Companies Joined in LQ-45. *7(2)*, 359–364.
- [46] Atiningsih, S., & Izzaty, K. N. (2021). The Influence of Firm Size on Company Value with Profitability as Intervening Variable and Dividend Policy as Moderating Variable. *Business and Accounting Research (IJEBA)*, 5, 378–388.
- [47] Awaliyah, M., Nugraha, G. A., & Danuta, K. S. (2021). Effect of Capital Intensity, Leverage, Liquidity and Profitability on Tax Aggressiveness. *Batanghari Jambi University Scientific Journal*, 21(3), 1222. <https://doi.org/10.33087/jiubj.v21i3.1664>
- [48] Cahyadi, H., Surya, C., Wijaya, H., & Salim, S. (2020). The Effect of Liquidity, Leverage, Capital Intensity, and Company Size on Tax Aggressiveness. *STATERA: Journal of Accounting and Finance*, 2(1), 9–16. <https://doi.org/10.33510/statera.2020.2.1.9-16>
- [49] Chen, Z., Kemsley, D., & Sivadasan, P. (2021). The Comprehensive Tax Gain from Leverage. *European Accounting Review*, 30(2), 381–403. <https://doi.org/10.1080/09638180.2020.1761851>
- [50] Darsani, P. A., & Sukartha, I. M. (2021). The Influence of Institutional Ownership, Profitability, Leverage and Capital Intensity Ratio on Tax Avoidance. *American Journal of Humanities and Social Sciences Research*, 5(1), 13–22. www.ajhssr.com
- [51] Faramitha, C. Y., Husen, S., & Anhar, M. (2020). The Effect of Business Risk on Tax Avoidance with Leverage as an Intervening Variable. *Journal of Accounting and Management*, 17(01), 73–81.



- [52] Fitri, R. A., & Munandar, A. (2018). The Influence of Corporate Social Responsibility, Profitability, and Leverage toward Tax Aggressiveness with Size of Company as Moderating Variable. *Binus Business Review*, 9(1), 63. <https://doi.org/10.21512/bbr.v9i1.3672>
- [53] Flamini, G., Vola, P., Songini, L., & Gnan, L. (2021). The determinants of tax aggressiveness in family firms: An investigation of italian private family firms. *Sustainability (Switzerland)*, 13(14). <https://doi.org/10.3390/su13147654>
- [54] Gajurel, D., Dungey, M., Yao, W., & Jeyasreedharan, N. (2020). Jump Risk in the US Financial Sector. *Economic Record*, 96(314), 331–349. <https://doi.org/10.1111/1475-4932.12565>
- [55] Gunawan, J. (2017). The Effect of Corporate Social Responsibility and Corporate Governance on Tax Aggressiveness. *Accounting journal*, 21(3), 425–436. <https://doi.org/10.24912/ja.v21i3.246>
- [56] Herlinda, A. R., & Rahmawati, M. I. (2021). Effect of Profitability, Liquidity, Leverage, and Company Size on Tax Aggressiveness. *Journal of Accounting Science and Research*, 10(1).
- [57] Hidayat, A. T., & Fitria, E. F. (2018). Effect of Capital Intensity, Inventory Intensity, Profitability and Leverage on Tax Aggressiveness. *EKSIS*, 13(2), 157–168.
- [58] Jensen, M. C., Meckling, W. H., Benston, G., Canes, M., Henderson, D., Leffler, K., Long, J., Smith, C., Thompson, R., Watts, R., & Zimmerman, J. (1976). Theory of the Firm: Managerial Behavior, Agency Costs and Ownership Structure. In *Journal of Financial Economics* (Issue 4). Harvard University Press. <http://hupress.harvard.edu/catalog/JENTHF.html>
- [59] Khoirunnisa, M., & Asih, Y. B. (2021). The Influence of Liquidity, Inventory Intensity, Leverage, and Company Size on Tax Aggressiveness in Pharmaceutical Companies. *Indonesian Journal of Economy, Business, Entrepreneurship and Finance*, 1(3), 245–257.
- [60] Kurba, M. I. H. (2020). *Taxes and Non-Taxes: Similar But Not the Same*. <https://anggaran.kemenkeu.go.id>. (accessed: 20 January 2023)
- [61] Legowo, W. W., Florentina, S., & Firmansyah, A. (2021). Tax Aggressiveness of Trading Companies in Indonesia: Profitability, Capital Intensity, Leverage, and Company Size. *Journal of Accounting Development*, 8(1), 84–108.
- [62] Lorenza, D., Kadir, Muh. A., & Sjahrudin, H. (2020). The Effect of Capital Structure and Company Size on Profitability in Automotive Companies Listed on the Indonesia Stock Exchange. *Journal of Management Economics*, 6(1), 13–20.
- [63] Mallinguh, E., Wasike, C., & Zoltan, Z. (2020). The business sector, firm age, and performance: the mediating role of foreign ownership and financial leverage. *International Journal of Financial Studies*, 8(4), 1–16. <https://doi.org/10.3390/ijfs8040079>
- [64] Mio, C., Fasan, M., Marcon, C., & Panfilo, S. (2020). The predictive ability of legitimacy and agency theory after the implementation of the EU directive on non-financial information. *Corporate Social Responsibility and Environmental Management*, 27(6), 2465–2476. <https://doi.org/10.1002/csr.1968>
- [65] Moratis, L. (2018). Signalling responsibility? Applying signalling theory to the ISO 26000 standard for social responsibility. *Sustainability (Switzerland)*, 10(11). <https://doi.org/10.3390/su10114172>
- [66] Muharramah, R., & Hakim, M. Z. (2021). Effect of Firm Size, Leverage, and Profitability on Firm Value. Proceedings of the National Seminar on Economics and Business. <https://doi.org/https://doi.org/10.32528/psneb.v0i0.5210>
- [67] Muliawati, I. A. P. Y., & Karyada, I. P. F. (2020). Effect of Leverage and Capital Intensity on Tax Aggressiveness with Independent Commissioner as Moderating Variable. *Hita Accounting and Finance Hindu University of Indonesia*.
- [68] Napitu, A. T., & Kurniawan, C. H. (2016). Analysis of the Factors Influencing the Tax Aggressiveness of Manufacturing Companies on the Indonesia Stock Exchange. *Simposium Nasional Akuntansi XIX*.
- [69] Olivia, I., & Dwimulyani, S. (2019). The Effect of Thin Capitalization and Profitability on Tax Avoidance with Institutional Ownership as Moderating Variables. Proceedings of the 2nd National Expert Seminar 2019, Book 2: Social and Humanities.
- [70] Pitaloka, S., & Merkusiwati, N. K. L. A. (2019). Effect of Profitability, Leverage, Audit Committee, and Executive Character on Tax Avoidance. *E-Journal of Accounting*, 1202. <https://doi.org/10.24843/eja.2019.v27.i02.p14>
- [71] Puspita, D., & Febrianti, M. (2017). Factors Influencing Tax Avoidance in Manufacturing Companies on the Indonesia Stock Exchange. *Journal of Business and Accounting*, 19(1), 38–46. <http://www.tsm.ac.id/JBA>
- [72] Putra, N. T., & Jati, I. K. (2018). Firm Size As a Moderating Variable The Effect of Profitability on Tax Avoidance. *E-Journal of Accounting*, 1234. <https://doi.org/10.24843/eja.2018.v25.i02.p16>



- [73] Rahmadani, Muda, I., & Abubakar, E. (2020). Effect of Company Size, Profitability, Leverage, and Profit Management on Tax Avoidance Moderated by Political Connection. *Journal of Accounting and Finance Research*, 8(2), 375–392. <https://doi.org/10.17509/jrak.v8i2.22807>
- [74] Ramdhania, D. Z., & Kinasih, H. W. (2021). Effect of Company Size, Profitability, Leverage, and Profit Management on Tax Avoidance Moderated by Political Connection. *Journal of Accounting and Finance Research*, 10(2), 93–106.
- [75] Romadhina, A. P. (2020). The Influence of Independent Commissioners, Capital Intensity, and Corporate Social Responsibility on the Tax Aggressiveness of Service Companies Listed on the IDX in 2014-2018. *Journal of Applied Managerial Accounting*, 4(2), 286–298.
- [76] Sintyana, I. P. H., & Artini, L. G. S. (2019). The Influence of Profitability, Capital Structure, Firm Size, and Dividend Policy on Firm Value. *E-Journal of Management*, 8(2), 7717–7745. <https://doi.org/10.24843/EJMUNUD.2019.v8.i2.p7>
- [77] Spence, M. (1973). Job Market Signaling. *The Quarterly Journal of Economics*, 87(3), 355–374.
- [78] Stawati, V. (2020). Effect of Profitability, Leverage, and Company Size on Tax Avoidance. *Journal of Accounting and Business*, 6(2), 147–157.
- [79] Suprianto, E., & Aqida, U. (2020). Executive Characteristics, Capital Intensity & Tax Avoidance Executive Characteristics, Capital Intensity & Tax Avoidance. *Indonesian Accounting Journal*, 9(1), 11–18.
- [80] Susilowati, A., Dewi, R. R., & Wijayanti, A. (2020). Factors Affecting Tax Avoidance. *Batanghari Jambi University Scientific Journal*, 20(1), 131. <https://doi.org/10.33087/jiubj.v20i1.808>
- [81] Suyanto, & Kurniawati, T. (2022). Profitability, Sales Growth, Leverage, Tax Avoidance: Firm Size as a Moderating Variable. *Journal of Applied Management and Finance (Mankeu)*, 11(04), 820–832.
- [82] Suyanto, & Sofiyanti, U. O. (2022). Capital Intensity, Profitability, Tax Aggressiveness: Firm Size as a Moderating Variable. *ECOBISMA (Journal of Economics, Business and Management)*, 9(1), 117–128.
- [83] Utomo, A. B., & Fitria, G. N. (2021). Firm Size Moderates the Effect of Capital Intensity and Profitability on Tax Aggressiveness. *Essence: Journal of Business and Management*, 10(2), 231–246. <https://doi.org/10.15408/ess.v10i2.18800>
- [84] Wardana, M. J., & Wulandari, S. (2021). Determinant Analysis of Tax Avoidance in Manufacturing Companies Listed on the Indonesia Stock Exchange. *Scientific Journal of Accounting Computerization*, 14(2), 297–307. <http://journal.stekom.ac.id/index.php/kompak>
- [85] Widagdo, R. A., Kalbuana, N., & Yanti, D. R. (2020). The Effect of Capital Intensity, Company Size, and Leverage on Tax Avoidance in Companies Registered on the Jakarta Islamic Index. *Journal of Politala Accounting Research*, 3(2), 46–59.
- [86] Widodo, S. W., & Wulandari, S. (2021). Effect of Profitability, Leverage, Capital Intensity, Sales Growth, and Company Size on Tax Avoidance. *SIMAK*, 19(01), 152–173.
- [87] Widyastuti, I., Wulandari, R., Ambarita, D., & Rani Gustiasari, D. (2022). The Influence of Leverage and Capital Intensity on Tax Avoidance with Firm Size as Moderate Variables. *“The Review and Outlook of The Economy after Covid 19 Pandemic.”*
- [88] Yanti, D., & Ismail, H. (2021). *The Effect of Capital Intensity, Leverage, and Company Size on Tax Avoidance in Manufacturing Companies Listed on the Indonesia Stock Exchange for the 2016-2018 Period.*”
- [89] Yauris, A. P., & Agoes, S. (2019). Factors Affecting the Tax Aggressiveness of Manufacturing Companies Listed on the IDX. *Journal of Multiparadigm Accounting*, 1(3), 979–987.