ABSTRACT

Tax revenue is the biggest source of funds for the government. As a source of state finance, the government is always increasing tax revenue. On the other hand, companies often to reduce their tax expenses by utilizing gray areas in existing taxation regulations or so called tax avoidance.

This study was conducted to analyze the effect of the intensity of fixed assets, executive character, political connections and leverage on tax avoidance of food and beverage companies on the Indonesia Stock Exchange in 2014-2018 both simultaneously and in part.

This study consisted of 50 samples of the food and beverage sector listed on the Indonesia Stock Exchange in the 2014-2018 period. The samples are obtained by purposive sampling. Descriptive statistical analysis and panel data regression using Eviews 10 are used as the research methodology.

The results of this study indicate that the intensity of fixed assets, executive character, political connections and leverage simultaneously influence tax avoidance. Partially, only executive character influences tax avoidance. The novelty of this study lies in the executive character variable.

It is recommended for further researchers to re-examine this research by adding years and periods of research. For the government, the results of this study are expected to be further investigated whether companies indicated doing tax avoidance are included in tax evasion or tax planning. For companies, the results of this study can be used for policies related to tax avoidance.

Keywords: *Tax Avoidance, Fixed Asset Intensity, Executive Character, Political Connection, Leverage.*