

## **ABSTRACT**

*The largest state revenue in Indonesia comes from taxes. The tax collection system that applies in Indonesia is a self assessment system. Self assessment system can lead to fraud and violations by avoidance or tax resistance. Tax avoidance is an attempt to allocate tax using the taxation required in the provision of valid invitations. Measurement of tax avoidance using the effective tax rate (ETR). One example of the phenomenon of tax avoidance in Indonesia is PT Adaro Energy Tbk. PT Adaro Energy Tbk is the second largest coal company in Indonesia.*

*This research aimed to determine the influence of firm size, leverage and political connection on tax avoidance simultaneously and partially in the mining sector companies listed on the Indonesia Stock Exchange (IDX) year 2015-2018. This study uses audited annual reports. The method of determining the samples from this study is by purposive sampling with sample of 31 companies. The analysis technique used is regression panel data analysis with Eviews 10.*

*Based on the results of analysis, the research shows that firm size, leverage and political connection have a simultaneous effect on tax avoidance. Partially, firm size and political connection have no effect on tax avoidance, while leverage has a negative effect on tax avoidance.*

*Keywords: firm size, leverage, political connection, tax avoidance,*