

ABSTRACT

Tax is a contribution from its citizen that owned by individuals or corporates which forced based on the law and used for country's development for the prosperity of its people who do not provide something in return directly. But, in its practices there are taxpayers who are still aggressive to their obligations to pay taxes. Tax aggressiveness is a behaviour from taxpayers in reducing their profit income taxes through tax avoidance and tax evasion. This action would bring loss to the government and corporates itself.

This research aims to study how Political Connection, Capital Intensity and Tax Aggressiveness of mining companies listed in Indonesia Stock Exchange from 2013 until 2017. Furthermore, this research aims to find how Political Connection and Capital Intensity affect Tax Aggressiveness on mining companies listed in Indonesia Stock Exchange from 2013 until 2017 partially and simultaneously.

The sampling technique used in this research is purposive sampling which has resulted in 13 mining companies listed in Indonesia Stock Exchange in 5 years which is 65 samples. The analysis methods that are used in this research are statistic descriptive analysis and panel data regression analysis using E-views 10.

The results of this research show that there are simultaneous influence between Political Connection and Capital Intensity listed on Indonesia Stock Exchange from 2013-2018. This study also finds that there is no between Political Connection and Tax Aggressiveness. However, Capital Intensity has a negative influence on Tax Aggressiveness

According to the research's results, the suggestions for further Research are to use Effective Cash Tax Rate (CETR) as a Tax Aggressiveness proxy, using Leverage with a Debt to Equity Ratio (DER) proxy as an independent variable, and using companies with loss as sample.

Keywords: *Capital Intensity; Political Connection; Tax Aggressiveness*