

ABSTRACT

This research analyses the determinants or factors that affect the capital structure partially or simultaneously in healthcare sector companies listed on the Indonesia Stock Exchange for 2016-2020. Capital structure is a fundamental thing to consider in funding a company. The independent variables used are Tangibility of Assets (TA), Firm Size (FS), Growth Opportunities (GO), Profitability (PF), Earnings Volatility (EV), and Non-Debt Tax Shields (NDTS), while the dependent variable is capital structure proxied by the variable Leverage. The sample selection in this research used purposive sampling and obtained a sample of 14 companies in the healthcare sector according to the research criteria. The method used in this research is Panel Data Regression, Hypothesis Testing, T-Test, F-Test, the coefficient of determination, and obtained the most appropriate model used is the Random Effect Model. This research indicates that partially Tangibility of Assets, Firm Size, Growth Opportunities, and Non-Debt Tax Shield variables have a significant individual effect on the company's Leverage variable. Meanwhile, the Profitability and Earnings Volatility variable has no significant effect on the company's Leverage variable. So, the adjusted R-Square value of 59.41% shows that the Tangibility of Assets, Firm Size, Growth Opportunities, Profitability, Earnings Volatility, and Non-Debt Tax Shield variables affect the dependent variable Leverage.

Keywords: Capital Structure, Earnings Volatility, Firm Size, Growth Opportunities, Non-Debt Tax Shields, Profitability, Tangibility of Asset