

ABSTRACT

Tax avoidance is one of the efforts to minimize the tax burden carried out by companies legally by taking advantage of loopholes or weaknesses in the tax provision law. The practice of tax avoidance is an action that can harm the country because it can affect the reduction in the amount of tax revenue generated by the state. There are several factors that can affect tax avoidance actions, including financial distress, family ownership, and corporate social responsibility.

This study aims to analyze financial distress, family ownership, and corporate social responsibility, and tax avoidance. In addition, to analyze simultaneously and partially the influence between financial distress, family ownership, and corporate social responsibility on tax avoidance in manufacturing companies listed on the Indonesia Stock Exchange for the 2018–2020 period.

The method used in this study is a quantitative method. The sample selection technique uses purposive sampling. From this method, 33 companies were obtained, so that the number of observations in this study was 99 observational data. The type of data used is secondary data with the data collection technique used is panel data regression analysis using Eviews 12 software.

The results showed that financial distress, family ownership, and corporate social responsibility for tax avoidance have a simultaneous effect on tax avoidance. Partial family ownership has a negative effect on tax avoidance. Meanwhile, financial distress and corporate social responsibility have no effect on tax avoidance in manufacturing companies listed on the Indonesia Stock Exchange in 2018-2020.

This research is expected to be an evaluation or consideration in establishing a new tax policy regarding tax avoidance in order to minimize tax avoidance so that it can increase state revenue sourced from taxes. This research is also expected to be a consideration for subsequent researchers to re-examine using other independent variables. Manufacturing companies are expected to be able to carry out tax planning properly so that tax avoidance efforts can be minimized properly so that fraud does not occur that harms the state.

Keywords: *Financial Distress, Family Ownership, Corporate Social Responsibility, and Tax Avoidance*