

ABSTRACT

Taxes have an important role as the largest source of state revenue which is very beneficial for national development and the welfare of the people of Indonesia. However, there are still many people who are not aware of this because the benefit of paying taxes are not received directly It is known that the realization of tax revenues in recent years has still not been able to reach the taxes revenue target which has been set in the State Revenue and Expenditure Budget (APBN). Tax aggressiveness carried out by taxpayers, namely legal or illegal, are one of the factors for the unrealized tax revenue target.

This study aims to examine empirical evidence both simultaneously and partially regarding the effect of market competition, firm size, and tax incentives on tax aggressiveness in consumer goods manufacturing sub-sector companies listed on the Indonesia Stock Exchange for the 2015-2020 period.

The method use in this study is a quantitative method. The population in this study are 203 manufacturing companies listed on the Indonesia Stock Exchange (IDX) in 2015-2020. Sampling was done by purposive sampling technique so obtain 53 companies with the amount of research data as much as 318 sample data. The data analysis technique used in this research is panel data regression analysis using EViews 12 software.

The result of this study indicate that market competition, firms size, and tax incentives simultaneously influence of tax aggressiveness. Partially, firm size have a positive effect on tax aggressiveness, tax incentives have a negative influence on tax aggressiveness, and market competition do not effect on ta aggressiveness.

It is suggested for the next researches to use independent variables, the ratio of measuring tax aggressiveness, and other research object, as well as adding the research period. The government is advised to pay more attention to the factors that have been shown to have an effect on tax aggressiveness in this study. It is suggested for the companies to make the factors that are proven to have an effect on tax aggressiveness as material for company evaluation.

Keyword : *firm size, market competition, tax aggressiveness, tax incentives*