ABSTRACT

Tax Avoidance is an effort to avoid taxes that are carried out legally and safely for taxpayers without conflicting with applicable tax provisions (not contrary to the law) where the methods and techniques used tend to take advantage of the weaknesses (gray areas) contained in the Act. The Tax Law and Regulations themselves are to minimize the amount of tax payable.

Audit committee size is used as a moderating variable in this study to see how deferred tax expense affects indications of tax evasion after being moderated and to see the effect of internal control, fixed investment, and deferred tax expense affecting indications of tax evasion before being moderated. This study used 100 observational samples from 20 energy sector companies listed on the Indonesia Stock Exchange between 2017 and 2021. Panel data regression analysis and regression moderation were used as analytical methods in this study.

The findings show that the indicator of tax avoidance is simultaneously influenced by internal control variables, fixed asset investment, and deferred tax expenses. The fixed asset investment variable has a negative impact on indications of tax avoidance. However, indications of tax evasion are not affected by internal control variables and deferred tax expense. In addition, deferred tax expense for indications of tax evasion is not affected by the size of the audit committee.

Kata Kunci : deferred tax expense, investment in fixed assets, audit committee, internal control, and tax avoidance