

ABSTRACT

The capital structure is an important part of the company, because the capital structure is part of the financial structure of a company which can be seen through a comparison between the company's total debt and capital, which is commonly called the Debt to Equity Ratio (DER). DER can show the risk level of a company. The higher the DER, the higher the risk that will occur in the company, because the company's funding from elements is greater than its own capital.

This study aims to determine the effect of managerial ownership, institutional ownership, foreign ownership and tangibility on the capital structure simultaneously and partially in companies listed on the LQ45 index listed on the Indonesia Stock Exchange in 2019-2021. The method applied in this study is quantitative with data sources derived from company reports (annual reports) published through the Indonesia Stock Exchange and the company's official website. The sampling technique used is purposive sampling. This study obtained a sample of 25 companies with observations for three years, so the total sample was 75 companies. The data analysis used in this study is a panel data regression analysis model.

Based on the results of this study, the Variables of managerial ownership, institutional ownership, foreign ownership and tangibility simultaneously on the capital structure are 0.000867. Partially managerial ownership, institutional ownership, and foreign ownership have no effect on the capital structure of companies listed on the LQ45 index in 2019-2021, foreign ownership Variables have an effect on the capital structure of companies listed on the LQ45 index in 2019-2021.

Keywords: Managerial Ownership, Institutional Ownership, Foreign Ownership, Tangibility and capital structure