

ABSTRACT

Tax avoidance is an activity carried out by taxpayers to exploit legal loopholes with the aim of minimizing the tax costs that need to be paid. The purpose of this research is to analyze the influence of financial distress, profitability, transfer pricing, and audit quality on tax avoidance in energy sector companies in the oil, gas, and coal sub-sectors listed on the Indonesia Stock Exchange from 2018-2022.

The method used in this research is quantitative. The population of this research includes energy sector companies in the oil, gas, and coal sub-sectors listed on the Indonesia Stock Exchange from 2018 to 2022. The sampling technique used in this research is purposive sampling, resulting in 35 samples consisting of 7 companies with a 5-year observation period. This research is analyzed using panel data regression with Eviews 12 software.

The results of this research found that simultaneously, The results of this study indicate that simultaneously, the variables of financial distress, profitability, transfer pricing, and audit quality affect tax avoidance. The study also found that profitability partially has a negative effect on tax avoidance and audit quality partially has a positive effect on tax avoidance, while financial distress and transfer pricing do not partially affect tax avoidance.

Keywords: *Audit Quality, Financial Distress, Profitability, Tax Avoidance; Transfer Pricing*