

ABSTRACT

The Indonesia Stock Exchange (IDX), also known as the Indonesian Stock Exchange (IDX), is the result of the merger between the Surabaya Stock Exchange (BES) and the Jakarta Stock Exchange (BEJ). This merger was carried out by the government to improve the effectiveness of operations and transactions in the capital market. The merged stock exchange has officially been operating since December 1, 2007. Until 2023, there are 830 public companies listed on the IDX, and these companies are classified into 12 sectors and 35 sub-sectors.

This study focuses on the automotive industry, which is known for its very tight level of competition among its business actors. In order to compete effectively, automotive manufacturers in Indonesia must focus on innovation, promotional strategies, and efficient marketing, in addition to offering high-quality products. The automotive industry has become a sector that has attracted increasing attention lately due to its significant contribution to the Indonesian economy. This sector covers the entire value chain, from component production, vehicle assembly, distribution, to sales networks and after-sales services.

One of the main goals of the company is to achieve optimal profit in its operations. The company's ability to generate profits in a period can be measured by evaluating the extent to which the company is able to use its assets effectively and productively. Therefore, companies need to implement very effective management to manage their profitability ratios. By understanding the existing profitability ratios, companies can monitor the development of their performance and take the necessary steps to overcome challenges and minimize possible negative impacts.

By knowing the profitability ratios they have, companies can more easily monitor and evaluate their performance, as well as design strategies to overcome various problems that may arise. This information is very important for formulating policies that can optimize profits and maintain business continuity amidst tight market competition.

Keywords: Tax Burden, Liquidity, and Profitability