ABSTRACT

Taxes are one of the sources of state revenue that the government uses to finance all state spending, such as infrastructure spending, education, and health. Tax revenue in Indonesia has always been less than the target from 2009 to 2020. One of the causes of the failure to achieve the tax revenue target is tax avoidance. Until now, tax avoidance is still an important issue because it can hinder state revenue. Tax avoidance is a company's effort to reduce the tax burden carried out without violating tax regulations. In the context of State-Owned Enterprises (SOEs), tax avoidance is an important issue considering that SOEs are owned by the government which has an interest in obtaining revenue from taxes.

This study aims to analyze the influence of government ownership and independent boards of commissioners on tax avoidance in SOEs during the 2018-2022 period. In addition, this study also uses the effectiveness of internal control as a moderation variable in the relationship between the independent board of commissioners and tax avoidance.

The study used a panel data regression analysis method. The data used is secondary data obtained from the financial statements and annual reports of SOEs available on the official website of each SOE. The independent variable in this study is government ownership and an independent board of commissioners, while the dependent variable is tax avoidance. This study also uses moderation variables, namely the effectiveness of internal control.

The results of this study show that government ownership has no effect on tax avoidance and the independent board of commissioners has no effect on tax avoidance. The internal control effectiveness variable does not moderate the relationship between the independent board of commissioners and tax avoidance.

Keywords: tax avoidance, state-owned enterprises, government ownership, independent board of commissioners, effectiveness of internal control