American Journal of Sciences and Engineering Research wwww.iarjournals.com

American Journal of Sciences and Engineering Research

E-ISSN -2348 – 703X, Volume 6, Issue 1, 2023

Financial Intensity and Corporate Governance: Study in Indonesia

Alfian Yunianto[1], Shinta Permata Sari[2]

[1]*Universitas Muhammadiyah Surakarta, Indonesia.*
[2]*Universitas Muhammadiyah Surakarta, Indonesia.*

ABSTRACT: *The aim of the government to maximize tax revenue is on the contrary to the goal of the company as a taxpayer where the company tries to minimize costs incurred to obtain maximum profits. Issues related to tax aggressiveness have become a hot topic of discussion in recent years. This action is an attempt by a certain party to reduce its tax burden in several ways by considering tax regulations. Companies minimize the tax burden paid in two ways; legal and illegal method. A quantitative approach of the Jakarta Islamic Index 30 (JII30) 2017-2021 period is conducted with the main objective of assessing the effect of financial intensity and corporate governance variables on tax aggressiveness. Forty-two companies are fulfilled the selected criteria as the sample of this research by using purposive sampling technique. Tax aggressiveness is proxied as Effective Tax Rate (ETR), whilst corporate governance and financial intensity are proxied as; board size, proportion of independent commissioners, inventory intensity, leverage, and capital intensity. The result shows that capital intensity impacts tax aggressiveness, while board size, independent commissioners, inventory intensity, and leverage have no impact on tax aggressiveness.*

Keywords: *Corporate governance, effective tax rate, financial intensity, tax aggressiveness.*

I. INTRODUCTION

One of the various efforts to achieve national development is to utilize domestic sources of revenue, such as tax revenues. Taxes are defined as legally compelled contributions; tax contributions are paid to the state in the context of both personal and corporate taxes. According to the tax law's philosophy, paying taxes is not only an obligation, but also every citizen's right to participate in state financing and national development (Widyananda, 2021). The Indonesian government employs a variety of methods to maximize state revenue through taxes, as taxes can significantly impact on the State Revenue and Expenditure Budget (APBN). The government's goal of maximizing revenue from the tax sector, on the other hand, is diametrically opposed to the goals of companies as taxpayers, where companies try to minimize costs incurred to maximize profits in order to provide accountability to owners or shareholders and to ensure the company's sustainability (Yoehana, 2013).

Companies view tax as an investment burden, that make them attempt to avoid the tax burden both legally and illegally. Tax aggressiveness is one of the planned management actions to avoid high corporate taxes (Lanis & Richardson, 2013). Tax aggression is characterized by Hanlon & Heitzman (2010) as the end of a series of tax planning behaviors. Corporations employ numerous tax strategies to decrease their estimated tax bills. These anticipated gains however are not free. Direct labor and information systems required to carry out tax planning, as well as estimated expenses of negotiation and fines resulting from interactions with taxing

 Received-25-01-2023, Accepted- 03-02-2023

authorities, are examples of such costs (Balakrishan et al., 2018). Guenther et al., (2013) describe tax aggressiveness as tax avoidance activities through interpretation of tax rules. Tax aggressiveness can enhance a company's risk due to the unpredictability of future tax payments. Similarly, Hanlon & Slemrod (2009) claim that the uncertainty is not only related to the quantity of tax payments but also to the consequences and fines. Furthermore, tax aggressiveness is a behavior that involves manipulating taxable income in order to avoid paying taxes (Frank et al., 2009).

Issues concerning tax aggressiveness began to be raised frequently overtime. This action is an attempt by a certain party to reduce its tax burden in various ways by carefully considering tax regulations. Tax aggressiveness refers to tax planning activities that aim to reduce the tax burden payable in order to lower the effective tax rate. Company can be judged based on how far they have gone to exploit tax loopholes in tax regulations in order to avoid tax. Companies that employ this strategy are becoming more aggressive in terms taxation (Mustika, 2017). An aggressive tax policy is consistent with aggressive financial reporting. Companies have their own way, yet this is determined by the company's activities as well. Several studies, such as those by Yuwono & Fuad (2019) and Apriyanti & Arifin (2021), show the connectivity between tax aggression and a variety of factors, including board size, independent commissioners, capital intensity, leverage, and inventory intensity.

Desai & Dharmapala (2006) states that tax aggressiveness is always linked with rent diversion, hence it is sense to believe that there is a relationship between tax aggressiveness and board size. Previous research by Yuwono & Fuad (2019) evaluate the influence of board size on tax aggressiveness, which find that board size has a substantial effect on tax aggressiveness. Tax aggressiveness can also be influenced by independent commissioners. Outside directors are unlikely to collaborate with managers, according to Lanis & Richardson (2011). Instead, they may be on the lookout for inconsistencies in order to protect shareholder capital. Independent commissioners may assist a tax-aggressive strategy by providing valuable experience to encourage greater tax-aggressive behavior (Lanis & Richardson, 2011). Inventory capacity is also thought to influence corporate tax aggressiveness. Inventory intensity calculates how much inventory capacity is invested in corporate assets (Rodriguez & Arias, 2012). Companies, according to agency theory, desire to maximize profit, that make them tend to adopt opportunistic acts through aggression. Companies can limit the amount of profit gained by increasing inventory intensity. In most studies on tax avoidance/aggressiveness, leverage is utilized to discover that enterprises with high leverage ratios have lower Effective Tax Rates (ETRs), signaling greater tax aggressiveness. Capital intensity has also been shown to influence a company's willingness to pay taxes aggressively (Gupta & Newberry, 1997); Rego & Wilson, 2012). Capital intensity can be defined as a ratio comprising the allocation of corporate ownership in the form of fixed assets (Andhari & Sukartha, 2017). Organizations with a high fixed asset base can incur high depreciation expenses (Apriyanti & Arifin, 2021).

II. MATERIAL AND METHODS

Corporate Governance

Many countries employ a self-assessment approach to their tax systems, including Indonesia, that allows management to calculate the least amount of taxable income possible. Management do this because it becomes benefit to the management as an agent in ways that they would not be able to if they worked with the investors as the principal. Agency relationships, according to Jensen & Meckling (1976), occur when shareholders (principals) authorize agents (management) to make business decisions. This principal-agent relationship may result in information asymmetry. This is because the agent knows more about the company's condition than the principal. Asymmetric information or information that is not evenly distributed between principals and agents, is what causes agency difficulties (Hanggraeni, 2014). It can be minimized if good corporate governance are applied in the company. Yusuf et al., (2019) explain that good corporate governance is a set of regulations that govern the rights and obligations of shareholders, the company's management (manager), creditors, the government, employees, and other internal and external stakeholders. Whereas the Cadbury Committee declares good corporate governance as a set of rules that formulate relationships between shareholders, managers, creditors, the government, employees, and other interested parties both internally and externally with respect to their rights and responsibilities (Yusuf et al., 2019).

Financial Intensity

Watts & Zimmerman (1986) explain how positive accounting theory explains a process by using accounting understanding, abilities, and knowledge in accordance with accounting policies to deal with certain future conditions, in other words, how positive accounting theory allows management to choose various alternatives from several existing accounting policies in order to minimize costs and increase company value or vice versa in order to minimize costs and increase company value. In terms of tax aggressiveness, if a company has a high profit for the current period, the higher level of tax paid. Positive accounting theory explains the management behavior of financial statement preparers (Andhari & Sukartha, 2017). Managers have a say in the amount of tax paid by their companies. Since accounting standards and tax laws change on a regular basis, managers have the opportunity to implement tax planning measures that can reduce the burden of taxes owed. The political cost hypothesis is best suited to describe this research in this study. According to the political cost hypothesis, if a company earns a high profit, the tax burden paid is also high (Arizoni et al., 2020). The larger the company, the higher the profits, and the higher the political costs that must be paid. The company conducts tax planning in order to reduce the tax burden paid. The political cost hypothesis is best suited to describe this research. According to political cost theory, businesses that generate a lot of profit must also pay a lot of taxes (Arizoni et al., 2020). In theory, the larger the company, the greater the profit, and as a result, the political expenses that must be borne can be greater. Companies engage in tax planning to reduce the amount of tax that must be paid. Based on the description above, the hypotheses are developed as follows:

The board of directors (Hardikasari & Sugeng, 2011) is someone appointed to lead the company in running the business and determining the company's strategy in the short and long term. Yuwono & Fuad (2019) mention that the size of the board of directors influences company value, the escalation of company performance leads to the increasement on tax aggressiveness. Tax aggressiveness is always associated with rent diversion. Therefore, it makes sense to assume that there is a relationship between tax aggressiveness and board size (Desai & Dharmapala, 2006). Previous research has also looked at the effect of board size on tax aggressiveness, such as Yuwono & Fuad (2019) who discover a significant relationship between tax aggressiveness and board size.

H1: The size of the board of directors impacts tax aggressiveness.

Independent commissioners are individuals who are not employees of the company; in other words, they have no relationship with the controlling shareholders, the board of commissioners, or directors, and they do not hold any position on the board of commissioners or as directors (Sari & Rahayu, 2020). Yuwono & Fuad (2019) explain that independent commissioners seek to improve the company, when a company is detected as carrying out high tax aggressiveness, independent commissioners try to reduce the tax aggressiveness. One way is to provide information about the policies of other companies, including information about tax planning policies. Independent commissioners may support a tax-aggressive strategy by providing useful experience to encourage more tax-aggressive behavior (Lanis & Richardson, 2011). This is consistent with the findings of Yuwono & Fuad (2019), who discover that independent commissioners have an impact on tax aggressiveness.

H2: The proportion of independent commissioners impacts tax aggressiveness.

Inventory intensity is defined by Andhari & Sukartha (2017) as a percentage of assets, specifically inventory in relation to the total assets owned by the company; The greater the company's inventory, the higher the maintenance and storage costs of these inventories. Arizoni et al. (2020) explains that inventory intensity has an effect on tax aggressiveness. The amount of inventory intensity causes additional costs such as storage costs or costs incurred causing a decrease in company profits then the taxes paid by the company decrease. This is consistent with the findings of Apriyanti & Arifin's study (2021) on the impact of inventory intensity on tax aggressiveness.

H3: Intensity of inventory impacts tax aggressiveness.

Andhari & Sukartha (2017) define leverage as all company debts to other parties that have not been paid or fulfilled, where the debt is a source of external financing for company expansion and financing needs. When a company has a high level of leverage, it is more aggressive in meeting its tax obligations (Andhari & Sukartha, 2017). Previous research by Andhari & Sukartha (2017) reveal a connectivity between leverage and tax aggressiveness.

H4: Leverage impacts tax aggressiveness.

Capital intensity is defined as a ratio involving the allocation of company ownership in the form of fixed assets (Andhari & Sukartha, 2017). Companies with high capital intensity can recognize high depreciation costs (Apriyanti & Arifin, 2021). The cost of maintaining inventory can be determined by the amount of inventory held by a company; the more inventory held, the greater the logically generated maintenance burden, and the storage load (Apriyanti & Arifin, 2021).

H5: Capital intensity impacts tax aggressiveness.

III. RESEARCH METHOD

Population and Sample

The sample is chosen as the object of study based on this population. The sample is chosen using the purposive sampling method, which involves selecting samples based on specific criteria that are relevant to the research objectives. The selected sample criteria are: (1) Companies listed on the Jakarta Islamic Index 30 (JII30) with the publication of annual reports for the 2017-2021 period, (2) Companies that provide all the data needed in this study, (3) Companies that earn profits during the year of this study, (4) Companies with an ETR between 0-1, which means that the lower the ETR value, the more aggressive the company is towards taxes. Secondary data was obtained from annual reports and financial statements of companies listed on JII30 on the Indonesia Stock Exchange (IDX) from 2017 to 2021. Data obtained from the official IDX website (www.idx.co.id) and other relevant sources, such as the company's official website.

Variable Measurement

The dependent variable examined in this research is tax aggressiveness, which is calculated using the Effective Tax Rate (ETR) proxy. In previous studies, ETR proxies were widely used. ETR focuses on the corporate tax burden. Because tax aggressiveness is inversely related to ETR, ETR is multiplied by (-1) as the inverse of the result (Yuwono & Fuad, 2019). The independent variables examined are financial intensity and corporate governance. Financial intensity is proxied as inventory intensity (INVT), leverage (LEV), and capital intensity (CAPIN). Meanwhile, corporate governance is proxied as board size (UDD) and the proportion of independent commissioners (PROKOMIN).

Table 1 [Variable and Indicator]

Variable	Indicator	Source
Tax Aggressiveness (ETR)	$\mathrm{ETR} = \frac{\text{Total Tax Expenses}}{\text{Earnings Before Taxes}}$	(Yuwono & Fuad, 2019)
Board Size (UDD)	$\mathrm{UDD} = \frac{\text{Total Board of Director}}{\text{Total Board of Director at The Most in The Sample}}$	(Yuwono & Fuad, 2019)
Proportion of Independent Commissioner (PROKOMIN)	$\mathrm{PROKOMIN} = \frac{\Sigma\text{Independen Commissioners}}{\Sigma\text{ Total Member of Commissioners}}$	(Richardson et al., 2014)
Inventory Intensity (INVT)	$\mathrm{INVT} = \frac{\text{Inventory}}{\text{Total Asset}}$	(Rodríguez & Arias, 2012)

Leverage (LEV)	$LEV = \frac{\text{Total Debt}}{\text{Total Asset}}$	(Andhari & Sukartha, 2017))
Capital Intensity (CAPIN)	$CAPIN = \frac{\text{Fixed Asset}}{\text{Total Asset}}$	(Rodriguez & Arias, 2012)

Data Analysis Technique

The data analysis model used in testing the research hypothesis is a multiple linear regression model. Tax aggressiveness as the dependent variable is proxied by the Effective Tax Rate (ETR), while the independent variables consist of the size of the board of directors (UDD), the proportion of independent commissioners (PROKOMIN), inventory intensity (INVT), leverage (LEV) and capital intensity (CAPIN).

Table 2 [Descriptive Statistical Analysis]

Variable	N	Minimum	Maximum	Mean	Standard Deviation
ETR	124	0.000	0.787	0.232	0.138
UDD	124	0.188	1.000	0.448	0.149
PROKOMIN	124	0.167	0.833	0.404	0.123
INVT	124	0.001	0.518	0.106	0.092
LEV	124	0.000	0.773	0.442	0.174
CAPIN	124	0.007	0.773	0.332	0.207

Source: Data processed, 2023

The table above shows the number of samples (N) of 124 company data from 2017 to 2021. With an average (mean) value of 0.448 and a standard deviation of 0.149, the Board Size (UDD) has the lowest value of 0.188 and the highest value of 1.000. With an average (mean) value of 0.404 and a standard deviation of 0.123 for the proportion of Independent Commissioners (PROKOMIN), the lowest value is 0.167 and the highest value is 0.833. Inventory Intensity (INVT) has a low value of 0.001 and a high value of 0.518, with a mean value of 0.106 and a standard deviation of 0.092. Leverage (X4) has the lowest value of 0.000 and the highest value of 0.773, with a mean of 0.442 and a standard deviation of 0.174. Capital intensity (X5) has the lowest value of 0.007 and the highest value of 0.773, with an average (mean) value of 0.332 and a standard deviation of 0.207. Tax aggressiveness (Y) has the lowest value of 0.000 and the highest value of 0.787, with a mean of 0.332 and a standard deviation of 0.207.

Table 3 [Classical Assumption Test Recapitulation]

Variable	Multicollinearity		Heteroscedasticity
	Tolerance	VIF	
UDD	0.951	1.052	0.109
PROKOMIN	0.848	1.179	0.598
INVT	0.799	1.251	0.616
LEV	0.810	1.234	0.710
CAPIN	0.767	1.304	0.494
Autocorrelation (Durbin-Watson - durbin's two step method)			
1.208			

Source: Data processed, 2023

The data in the table 3 is normally distributed with the Central Limit Theorem (CLT). With the Spearman's rank correlation test, the significance value of the independent variable in the heteroscedasticity column is greater than the 0.05 significance level. These results indicate that there are no signs of heteroscedasticity in this study. The statistical results of the multicollinearity test show that none of the independent variables have tolerance values greater than 0.10 or 10%, and none of the independent variables have VIF values less than 10.00. As a result, there is no multicollinearity between independent variables in this study's regression model. The Durbin-Watson d method autocorrelation test result (using natural logarithms) shows a value of 1.208 where -2 < 1.208 < 2 indicates that there is no autocorrelation.

Table 4 [Multiple Linear Regression Analysis, Hypothesis, and Coefficient Determination Recapitulation]

Variable	**Regression Coefficient**	**Sig.**	**t**
Constanta	0.164	0.005	2.862
UDD	0.005	0.953	0.059
PROKOMIN	-0.046	0.645	-0.461
INVT	-0.060	0.663	-0.436
LEV	-0.009	0.899	-0.128
CAPIN	0.285	0.000	4.575
Adjusted R^2		**F**	
0.173		0.000	

Source: Data processed, 2023

Based on Table 4, the regression equation is as follows:

$$Y = 0.164 + 0.005UDD - 0.046PROKOMIN - 0.060INVT - 0.009LEV + 0.285CAPIN + e$$

The adjusted R Square value is 0.173 or 17.3%. This signifies variations in the five independent variables (board size (UDD), proportion of independent commissioners (PROKOMIN), inventory intensity (INVT), leverage (LEV), and capital intensity (CAPIN)) can explain 48.3% of the variation in tax aggressiveness, while the remaining 51.7% is explained by other variables outside the model. The regression model F test findings had a significance value of 0.000, indicating that the independent variable can explain the dependent variable or that the research model is feasible.

Based on the findings of the regression test conducted, the initial hypothesis indicating board size (H1), proportion of independent commissioners (H2), inventory intensity (H3), and leverage (H4) have an impact on tax aggressiveness are rejected. Significant values of (sequentially) 0.953; 0.645; 0.663; and 0.889 indicate that those variables mentioned above have no impact on tax aggressiveness. Meanwhile, capital intensity (H5) is proven to have an effect on tax aggressiveness with a significance level of 0.000 < 0.05, indicates that the initial hypothesis is accepted. This is consistent with research by Andhari & Sukartha (2017), which indicates that companies with high capital intensity can recognize high depreciation costs. The amount of inventory a corporation keeps can influence the cost of sustaining it; the more goods kept, the higher the logically produced maintenance burden and the storage load (Apriyanti & Arifin, 2021).

Board size has no effect on tax aggressiveness. This result is not in accordance with the theory adopted, namely agency theory. This does not prove that the more boards of directors in a company, the more tax evasion is committed. the results of this study are not in accordance with the research conducted by Armstrong et al (2015). Lanis and Richardson (2011) explain that outside directors are unlikely to collude with managers, instead they tend to monitor and protect shareholder wealth. Using ETR measurements, leverage has no effect using ETR proxies. This is due to the ETR measurement, high tax interest expense does not make management do tax evasion. Even so, measurements with other proxies are likely to have different results, this is because efforts to use debt for company funding can generate high interest incentives that have the potential to tend to reduce the level of tax that must be paid by companies to the government. The existence of an independent commissioner within the company cannot suppress tax aggressiveness. The opinion of the independent commissioner is not carried out properly by the company because the company has the aim of obtaining maximum profits by minimizing existing expenses including tax burdens. However, the independent commissioner wants the company to report according to the existing conditions so that the company's reputation is maintained and the trust of stakeholders increases. There is also no effect of inventory intensity on tax aggressiveness. A large amount of inventory is not a factor that can determine a company's tax aggressiveness. Inventories owned by the company are due to meet market demand and are sold to obtain the maximum profit compared to storage costs.

IV. CONCLUSION

This research is conducted to examine the impact between financial intensity and corporate governance to tax aggressiveness. The companies listed on JII30 2017-2021 served as the study's objects. Forty-two samples make up the total number of data that have been gathered and chosen for this research sample. Therefore, it can be concluded that from five factors examined, only capital intensity has an impact on tax aggressiveness. The fact that the research has also possessed some limitations, specifically the proxy of tax aggressiveness that does not vary, as well as the sample that only consists of companies listed on the JII30. Therefore, it is advised to develop this research utilizing other tax aggressiveness proxies in order to evaluate the outcomes and precision of each existing proxy. Another idea for the future is to employ a different and larger research object to cover other company sectors, especially in sharia stock market.

V. REFERENCES

1. Andhari, Putu Ayu Seri; Sukartha, I Made. 2017. Effect of Disclosure of Corporate Social Responsibility, Profitability, Inventory Intensity, Capital Intensity and Leverage on Tax Aggressiveness. *E-Journal of Accounting* 18 (3): 2115-2142.
2. Apriyanti, H. W., & Arifin, M. 2021. Tax Aggressiveness Determinants. *Journal of Islamic Accounting and Finance Research* 3(1): 27–52. https://doi.org/10.21580/jiafr.2021.3.1.7412.
3. Arizoni, S. S., Ratnawati, V., & Andreas, A. 2020. The Effect of Accrual Profit Management, Real Profit Management and Inventory Intensity on Tax Aggressiveness: The Moderation Role of Foreign Operations. *Bilancia: Scientific Journal of Accounting* 4(1): 35- 47.
4. Armstrong, C. S., Blouin J. L., Jagonlizer, a. D., & Larcker, D. F. 2015. Corporate Governance, Incentives, and Tax Avoidance. *Journal of Accounting* 2(3): 179-234.
5. Balakrishnan, K., Blouin, J., & Guay, W. 2019. Tax Aggressiveness and Corporate Transparency. *The Accounting Review* 94(1): 45-69
6. Desai, M. & Dharmapala, D. 2006. Corporate Tax Avoidance and High-Powered Incentives. *Journal of Financial Economics* 79(1): 145-179.
7. Frank, M.M., Lynch, L. & Rego, S. 2009. Tax Reporting Aggressiveness and Its Relation to Aggressive Financial Reporting. *The Accounting Review* 84 (2): 467-496.
8. Ghozali, Imam. 2011. *Application of Multivariate Analysis with the SPSS Program*. Semarang: Diponegoro University Publishing Agency.
9. Grant Richardson, Roman Lanis, & Sidney Chi-Moon Leung. 2014. Corporate Tax Aggressiveness, Outside Directors, and Debt Policy: An empirical Analysis. *Journal of Corporate Finance* 25: 107-121. ISSN 0929-1199. https://doi.org/10.1016/j.jcorpfin.2013.11.010.
10. Guenther, D.A., Matsunaga, S.R., & Williams, B.M. 2013. Tax Avoidance, Tax Aggressiveness, Tax Risk, and Firm Risk. Working Paper Lundquist College of Business, University of Oregon, Eugene, OR 97403 USA.
11. Gupta, Sanjay, & Kaye Newberry. 1997. Determinants of the Variability in Corporate Effective Tax Rates: Evidence from Longitudinal Data. *Journal of Accounting and Public Policy* 16(1): 1-34.
12. Rego, Sonja O., & Ryan J. Wilson. 2012. Equity Risk Incentives and Corporate Tax Aggressiveness. *Journal of Accounting Research, forthcoming*.
13. Hanggraeni, Dewi. 2014. Integrated Enterprise Risk Management and Good Corporate Governance: Testing the Importance of Enterprise Risk Management Implementation for Improving GCG Practices and Company Performance. *Jakarta: Universitas Indonesia (UI-Press).*

14. Hanlon, M., & Heitzman, S. 2010. A Review of Tax Research. *Journal of Accounting and Economics* 50(40): 127–178.
15. Hanlon, M., & Slemrod, J. 2009. What Does Tax Aggressiveness Signal? Evidence From Stock Price Reactions To News About Tax Shelter Involvement. *Journal of Public Economics* 93: 126–141.
16. Hardikasari, Eka & Sugeng, P. 2011. The Effect of Corporate Governance Implementation on Financial Performance in the Banking Industry Listed on the Indonesia Stock Exchange (IDX) in 2006-2008. *Doctoral dissertation, Universitas Diponegoro.*
17. Jensen, M. & Meckling, W. 1976. Theory of the Firm: Managerial Behavior, Agency Costs and Ownership Structure. *Journal of Financial Economics* 3(4): 305-60.
18. Lanis, R., & Richardson, G. 2013. Corporate Social Responsibility and Tax Aggressiveness: A Test of Legitimacy Theory. *Accounting, Auditing and Accountability Journal* 26(1): 75–100. https://doi.org/10.1108/09513571311285621.
19. Lannis, R., & Richardson, G. 2011. The Effect of Board Director Composition on Corporate Tax Aggressiveness. *Journal of Accounting and Public Policy* 30: 50–70.
20. Mustika. 2017. The Influence of Corporate Social Responsibility, Company Size, Profitability, Leverage, Capital Intensity, and Family Ownership on Tax Aggressiveness. *JOMFekom* 4(1): 1960–1970.
21. Rodríguez, E. F., & Arias, A. M. 2012. Do Business Characteristics Determine an Effective Tax Rate?. *Chinese Economy* 45(6):60–83.
22. Sari, B., & Rahayu, M. 2020. The Influence of the Environment, Entrepreneurship Education and the Use of E-commerce on Increasing Entrepreneurial Interest in FEB UPI YAI Students. *Journal of IKRA-ITH Economics* 2(3): 20-29.
23. Singgih Santoso. 2012. *Mastering Statistics with SPSS 25*. Jakarta: PT Elex Media Komputindo.
24. Watts, Ross L. & Jerold L. Zimmerman. 1986. *Positive Accounting Theory*. USA: Prentice-Hall.
25. Widyananda, R. F. 2021. Tax is a Compulsory Contribution of Individuals or Entities to the State, This is the Type. https://www.merdeka.com/jatim/pajak-adalah-kontribusi-wajib-orang-pribadi-atau-badan-kepada-negara-ketahui-jenisny-kln.html?page=1. Accessed on December, 13 2022.
26. Yoehana, M. 2013. Analysis of the Effect of Corporate Social Responsibility on Aggressiveness. *Diponegoro* 4(2): 1-6.
27. Yusuf, M., Utami, W. & Mulyani, S.D. 2019. Effect of Good Corporate Governance on Tax Aggressiveness. *International Journal of Business, Economics and Law* 20(5): 242-253.
28. Yuwono, & Fuad. 2019. The Effect of Corporate Governance and Executive Compensation on Tax Aggressiveness. *Diponegoro Journal of Accounting* 8(1). http://ejournal-s1.undip.ac.id/index.php/accounting.