

ABSTRACT

Tax avoidance is an action taken to minimizing tax by utilizing regulation (loopholes). Good corporate governance, corporate risk, return on asset, and sales growth are used to estimate the effect on tax avoidance.

With (CETR) Cash Effective Tax Ratio on tax avoidance would be measured , this research was carried out on manufacturing companies on consumption sector in Indonesia Stock Exchange for the year 2014 until 2017 with a purposive sampling method of 25 companies and 100 data observations collected. Data analysis used multiple linear analysis techniques.

The result showed that (INST) has an effect with -0,157 coefficient in negative direction and significant on tax avoidance, (RISK) has an effect with -0,151 coefficient in negative direction and not significant on tax avoidance, (ROA) and (SG) has an effect with 0,036 and 0,001 coefficient in positive direction and not significant on tax avoidance.

Keywords: tax avoidance, corporate governance, institusional ownership, corporate risk, risk taker, risk averse, profitability, return on asset, sales growth.

