

THE INFLUENCE OF TRANSFER PRICING, CAPITAL INTENSITY AND INDEPENDENT COMMISSIONER ON TAX AGGRESSIVENESS

Natasha Valencia^{1*}, Rini Handayani²

^{1,2}Accounting Department, Universitas Kristen Maranatha, Indonesia

*Email corresponding author: natashava1213@gmail.com

Abstrak

Pajak sebagai sumber pemasukan negara yang penting telah menjadi salah satu objek yang mendapatkan perhatian dari pemerintah, namun dalam realisasinya terdapat hambatan berupa banyaknya perlakuan *tax aggressiveness* yang masih sering terjadi di Indonesia. Tujuan dari riset ini untuk mengetahui pengaruh *transfer pricing*, *capital intensity*, dan *independent commissioner* terhadap *tax aggressiveness*. Populasi dalam riset ini yaitu sektor konsumen primer yang *listing* di Bursa Efek Indonesia periode 2019-2021 dan sampel diambil menggunakan metode *purposive sampling*, sehingga terdapat 69 data yang memenuhi kriteria. Metode analisis regresi berganda digunakan sebagai metode analisis data. Hasil dari riset menunjukkan bahwa *transfer pricing* berpengaruh secara negatif terhadap *tax aggressiveness*, sedangkan *capital intensity* dan *independent commissioner* tidak berpengaruh terhadap *tax aggressiveness*. Penelitian ini berimplikasi dapat menjadi referensi bagi pihak yang berkepentingan seperti pemerintah dalam mengambil keputusan mengenai *tax aggressiveness*. Keterbatasan dalam riset ini yaitu terdapat beberapa data mengenai variabel *transfer pricing* yang tidak tersedia pada beberapa perusahaan dan ketiga variabel yang diteliti hanya berpengaruh sebesar 15,8% pada variabel *tax aggressiveness*.

Kata Kunci: *Transfer Pricing, Independent commissioner, Capital intensity, Tax aggressiveness*
JEL Code: G34, G38, H26

Abstrak

Taxes, as an essential source of national income, have become one object that receives attention from the government. However, in its realization, there are obstacles in the form of many tax aggressiveness treatments that still often occur in Indonesia. This research examines the effects of transfer pricing, capital intensity, and independent commissioners on tax aggressiveness. The population of this research is the consumer non-cyclical sector companies listed on the Indonesia Stock Exchange during the 2019-2021 period. The sample is selected using the purposive sampling method, which results in 69 data that meet the criteria. The multiple regression analysis method is used as a data analysis method. The research results show that transfer pricing hurts tax aggressiveness, while capital intensity and independent commissioners do not affect tax aggressiveness. This research implies that it can be a reference for interested parties, such as the government, in making decisions regarding tax aggressiveness. The limitations of this research are that some data on transfer pricing variables are unavailable in some companies, and the three variables studied only have an effect of 15.8% on the tax aggressiveness variable.

Kata Kunci: *Transfer Pricing, Independent Commissioner, Capital Intensity, Tax Aggressiveness*
JEL Code: G34, G38, H26

INTRODUCTION

Tax is one source of state revenue that has become an essential part of the government. Tax contributions, the largest source of income for the state treasury, make taxes one of the objects that the government pays close attention to fulfilling or realizing ([Sadjiarto et al., 2020](#)). The government continues to strive to encourage taxpayer compliance in terms of paying taxes applicable to individual taxpayers and corporate taxpayers ([Fitriani et al., 2021](#)). If reported from the statement of the Directorate General of Taxes, tax revenue in 2021 exceeded the State Revenue and Expenditure Budget (APBN) target. Namely, the realization penetrated 100.19% ([Hariani, 2022](#)). Even so, Indonesia's tax ratio is still relatively low compared to various ASEAN and Asia Pacific countries, which is 10.4% for 2022, while the average for Asia Pacific countries is 19.1% ([Siswanto, 2023](#); [Sukmana, 2020](#)). The low tax ratio in Indonesia shows that the government has not optimally utilized the existing tax potential, and illegal tax planning is still rampant, leading to tax aggressiveness ([Alkausar et al., 2020](#)).

The treatment of tax aggressiveness continues to occur in Indonesia. For example, how many of the following cases are the practice of determining transfer pricing by a subsidiary of PT Unilever Indonesia Tbk, namely PT Nestle in 2013, which was carried out intentionally so that product acquisition costs and tax burdens can be reduced as well as cases involving PT Coca-Cola Indonesia which was implemented by outsmarting taxes that lead to transfer pricing behavior ([Djumena, 2014](#)). Tax aggressiveness activities that continue to occur have resulted in the country continuing to experience losses. For example, in 2021, Indonesia will experience a loss of IDR 34 trillion ([Tax Justice Network, 2021](#)). Tax aggressiveness is carried out to reduce the company's debt tax burden ([Ariani and Prastiwi, 2020](#)). Companies tend to be more aggressive in planning their taxes when they perceive that paying taxes is a burden for the company ([Sadjiarto et al., 2020](#)). Tax aggressiveness can be implemented legally (tax avoidance), namely by developing a strategy to reduce the tax burden, one of which is by taking advantage of loopholes in tax regulations and illegally (tax evasion), among others by not paying taxes or paying taxes but not the actual amount, and by manipulating the company's taxable income ([Ariani and Prastiwi, 2020](#); [Frank et al., 2009](#)).

Tax aggressiveness is influenced by several things, namely earnings management practices, inventory intensity, capital intensity, independent commissioners, manipulation of financial reports, transfer pricing, and other actions ([Alkausar et al., 2020](#); [Fadli, 2016](#); [Pratiwi and Oktaviani, 2021](#)). According to [Peraturan DJP Nomor PER-32/PJ/2011](#), transfer pricing is carried out by determining prices in transactions between related parties. Transfer pricing is carried out to minimize taxes, and companies will take advantage of loopholes in existing regulations to avoid taxes ([N. Putri and Mulyani, 2020](#)). Tax avoidance through transfer pricing can be implemented by transferring income to countries with lower tax rates to generate greater profits ([Robin et al., 2021](#)). According to a study by [Robin \(2021\)](#), it is known that transfer pricing affects tax aggressiveness, in contrast to [Fitriani et al. \(2021\)](#), [Putri and Mulyani \(2020\)](#), and [Trisnawati et al. \(2020\)](#) which states that transfer pricing has a significant effect on tax aggressiveness.

Then tax aggressiveness is not only influenced by transfer pricing but also by capital intensity. Capital Intensity, namely the company's investment in fixed assets, can show how much the company's wealth is ([Muliawati and Karyada, 2020](#)). Capital intensity can be measured by the number of capital investments made by the company in fixed assets ([Pratiwi and Oktaviani, 2021](#)). Companies with fewer fixed assets have less opportunity to engage in tax aggressiveness when compared to companies with significant total fixed assets ([Mustika et al., 2017](#)). The research results belonging to [Muliawati and Karyada \(2020\)](#) state that if capital intensity positively affects tax aggressiveness, the depreciation expense will also be substantial if the company invests significantly in fixed assets. Meanwhile, the research results belonging to [Amalia \(2021\)](#), [Pratiwi and Oktaviani \(2021\)](#), [Sakinah et al. \(2020\)](#), [Savitri and Rahwatati \(2017\)](#), and [Jaffar et al. \(2021\)](#) state that capital intensity does not affect tax aggressiveness. The main reason is that the company cannot take advantage of its fixed assets' depreciation expense to minimize the tax it owes ([Pratiwi and Oktaviani, 2021](#)).

To minimize tax aggressiveness, companies need a balance, namely the presence of an independent commissioner. An independent commissioner is separated or has no relationship with the directors, board of commissioners, or shareholders and does not have a position as a director in a company ([Muliasari and Hidayat, 2020](#)). Independent commissioners can control management performance by ensuring management is more careful in making decisions and more open in managing the company; it will make management comply with applicable regulations and reduce tax evasion ([Suyanto and Supramono, 2012](#)). In previous research, [Fadli \(2016\)](#), [Muliasari and Hidayat \(2020\)](#), and [Suyanto and Supramono \(2012\)](#) state that independent commissioners have a significant effect on tax aggressiveness. Meanwhile, a study by [Susanto et al. \(2018\)](#) states that independent commissioners do not affect tax aggressiveness behaviors research was carried out because it found contradictions in previous study research that raised the topic of tax aggressiveness. So, this led the researcher to carry out another test regarding tax aggressiveness by using several variables that might have an effect. The research was conducted on primary consumer sector companies listed on the Indonesia Stock Exchange for 2019-2021. During Covid-19, the Indonesian people diverted their immediate consumption needs, so the primary consumption sector increased by 52.6% ([Waseso, 2020](#)). Despite the increase, tax aggressiveness during the Covid-19 pandemic still resulted in sizable losses for Indonesia, amounting to IDR 70 trillion ([Tax Justice Network, 2020](#)). The purpose of the study to be carried out is to determine the effect of transfer pricing, capital intensity, and independent commissioners on tax aggressiveness.

LITERATURE REVIEW AND HYPOTHESIS FORMULATION

Agency Theory

Agency theory is the relationship that arises between the management (agent) and the shareholders (principal) ([Jensen and Meckling, 1976](#)). If it is based on agency theory, conflicts can occur because each individual will act in his interests, leading to conflicts between principals and agents and affecting company tax policies ([Nugraha, 2015](#)). Then there is an information asymmetry between principals and agents because managers can access information about the company's condition, causing an imbalance of information ownership ([Suhendah and Imelda, 2012](#)).

In Indonesia, which uses a self-assessment system for calculating and reporting taxes, management can carry out tax aggressiveness by taking advantage of loopholes in tax regulations. Then this activity will make the profit before tax low and cause the company's payable tax burden also to be low. Meanwhile, from the point of view of the shareholders (principal), they do not want management to carry out tax aggressiveness which could lead to the possibility of imposing fines on the company and worsening the company's image ([Lingga et al., 2022](#); [Nugraha, 2015](#)).

Tax aggressiveness

Tax aggressiveness is an activity to manipulate a company's income before tax which is implemented through tax planning activities to minimize the tax burden, legally, namely tax avoidance, and illegally, namely tax evasion ([Frank et al., 2009](#)). Tax avoidance can be categorized as an act that does not violate the law because it is done by seeking loopholes from existing statutes and minimizing the amount of tax by not violating tax provisions. In contrast to tax evasion, which is achieved by reducing the company's tax burden by not reporting income or reporting taxes but not the actual amount, it can be assessed as an act of tax avoidance which is included in a violation of tax regulations ([Ariani and Prastiwi, 2020](#)). Companies mainly carry aggressive tax actions because the taxes paid are considered a burden that will reduce income ([Ratmono and Sagala, 2016](#)). Then the level of tax aggressiveness in an entity can be described by how much effort the taxpayer has to reduce their tax burden ([Rengganis and Dwija Putri, 2018](#)).

Transfer Pricing and Tax aggressiveness.

In [Peraturan DJP Nomor PER-32/PJ/2011](#), transfer pricing is an effort to avoid taxes by fixing prices in transactions between related parties. Transfer pricing practices can be carried out by selling products below market prices to groups in the same company, and then profits from the sale will be transferred to companies that are still in the same group in countries with lower tax rates. So that a lower selling price for this related party will reduce the profit earned and decrease the company's income tax ([Fitriani et al., 2021](#)). Transfer pricing is carried out to minimize taxes, and companies will take advantage of loopholes in existing tax provisions to avoid taxes ([N. Putri and Mulyani, 2020](#)).

Research belonging to [Fitriani et al. \(2021\)](#), [Putri and Mulyani \(2020\)](#), [Trisnawati et al. \(2020\)](#), and [Hasanudin et al. \(2022\)](#) it can be seen that transfer pricing has an influence on tax aggressiveness significantly, the purpose of companies that carry out transfer pricing is to try to minimize their taxes. Then the following hypothesis is formulated:

H₁: Transfer pricing affects tax aggressiveness

Capital Intensity and Tax aggressiveness

Capital intensity is a company's investment in fixed assets which can show the size of the company's wealth. If the investment in fixed assets in an entity gets bigger, it will impact the depreciation expense. In the end, a sizeable total depreciation expense will decrease the company's profits and reduce the tax burden that the company needs to pay ([Muliawati and Karyada, 2020](#)). So there is an assumption that companies involved in tax planning can invest in fixed assets on a large scale, which can then refer to tax aggressiveness ([Sakinah et al., 2020](#)).

[Muliawati and Karyada's study \(2020\)](#), where capital intensity positively affects tax aggressiveness, means that if a company's fixed assets are high, there is an increased opportunity for the company to carry out tax aggressiveness. Then the following hypothesis is formulated:

H₂: Capital intensity affects tax aggressiveness

Independent commissioner and Tax aggressiveness

Independent commissioners are part of the board of commissioners who have no connection with other fellow commissioners, management, and controlling shareholders. They are also independent of any business or other relationships that could impact their ability to act in the company's interests ([Fadli, 2016](#)). The independent commissioner has a crucial function in the company, namely as a supervisor, and is tasked with giving direction so that the company can function following applicable regulations ([Ardyansyah, 2014](#)). Independent commissioners are considered able to monitor management performance. As a result, management will be more careful when making decisions and be transparent in operating the company, encouraging management to comply with applicable regulations and reduce tax evasion ([Suyanto and Supramono, 2012](#)).

The proportion of independent commissioners who are more and more indicates that the greater the influence of the company in controlling management performance, the less tax aggressiveness ([Fadli, 2016](#)). In a previous study, [Fadli \(2016\)](#), [Mulasari and Hidayat \(2020\)](#), and [Suyanto and Supramono \(2012\)](#) state that independent commissioners have a significant effect on tax aggressiveness. The following hypotheses are formulated:

H₃: Independent commissioner affects tax aggressiveness

RESEARCH METHODS

This research uses a quantitative method by utilizing secondary data from the website <https://www.idx.co.id/> (Indonesian Stock Exchange). The population of this research is primary consumption sector companies listed on the Indonesia Stock Exchange in the 2019-2021 period. Primary consumption sector companies were chosen as the study population because, during the Covid-19 conditions, the primary consumption sector increased by 52.6%. This happened because the

Indonesian population tended to divert their consumption to primary needs during the pandemic ([Waseso, 2020](#)). The purposive sampling method was used as a sample selection method, with the following sample selection criteria:

Table 1. Research Sample

No	Sample Criteria	Number of Samples	
		Company	Financial Statements
1	Primary consumption companies listed on the Indonesia Stock Exchange during 2019-2021.	79	234
2	Primary consumption companies that present incomplete financial statements for the period 2019 - 2021	(2)	(6)
3	Primary consumption companies that do not use Rupiah in their financial reporting.	(2)	(6)
4	Primary consumption companies experienced losses during the 2019-2021 period.	(30)	(90)
5	Primary consumption companies that do not have complete data for the 2019-2021 period	(14)	(42)
6	Data included in the outliers and excluded from the sample	(7)	(21)
Total		23	69

Source: Author's own work (2023)

Variables

The dependent variable in this research is tax aggressiveness, while the independent variable is transfer pricing, capital intensity, and independent commissioner with the following calculation indicators:

Tax aggressiveness

The calculation formula for the tax aggressiveness variable is based on ([Chen et al., 2010](#)), namely.

$$CETR = \frac{\text{Cash Tax Paid}}{\text{Income before tax}} \dots\dots\dots (1)$$

Transfer Pricing

The calculation formula for the transfer pricing variable is based on ([Panjalusman et al., 2018](#)), namely.

$$TP = \frac{\text{Trade receivables to special parties}}{\text{Total Receivables}} \dots\dots\dots (2)$$

Capital Intensity

The calculation formula for the capital intensity variable is based on ([Muzzakki, 2015](#)).

$$CI = \frac{\text{Total Fix Asset}}{\text{Total Asset}} \dots\dots\dots (3)$$

Independent commissioner

The calculation formula for the independent commissioner variable is based on ([L. T. Y. Putri, 2014](#)).

$$KI = \frac{\text{Number of Independent commissioners}}{\text{Total Board of Commissioners}} \dots\dots\dots (4)$$

Data analysis technique

Data analysis utilizes the SPSS 26 application. Before carrying out the multiple regression analysis tests, the classical assumption test will first be carried out to test the feasibility of the data, which consists of four tests, namely:

1. The normality test uses the Kolmogorov-Smirnov test to test whether the variables are normally distributed. The residual data is normally distributed if the results are more significant than 0.05 ([Alita et al., 2021](#); [Zarabiyu and Jasman, 2022](#)).
2. The heteroscedasticity test uses the Glejser test to find out whether the absolute residual values of all the regression model observations are the same if the Sig. More incredible than 0.05, there is no heteroscedasticity ([Alita et al., 2021](#); [Zarabiyu and Jasman, 2022](#)).
3. The multicollinearity test was carried out to test the linear relationship between the independent variables with each other. If the tolerance value ≥ 0.10 and the VIF value ≤ 10 , there are no signs of multicollinearity ([Alita et al., 2021](#); [Zarabiyu and Jasman, 2022](#)).
4. The autocorrelation test uses the Durbin-Watson test to see the relationship between disturbing constructs in the t-1 period in the data. If the dU value lies between the dU value and the (4-Du) value, then there are no signs of autocorrelation ([Alita et al., 2021](#); [Zarabiyu and Jasman, 2022](#)).

Then the researcher will test multiple regression analysis to test the impact of transfer pricing, capital intensity, and independent commissioners on the tax aggressiveness of companies in the primary consumption sector. Multiple regression analysis tests are carried out through the t-test and F-test. The t-test is used to determine whether the independent variables separately affect the dependent variable; the calculated t value is greater than the t table or sig value, Which is smaller than 0.05 means that variable X affects variable Y. Then, to review if the independent variables simultaneously affect the dependent variable, the F test is used if the calculated F is greater than the F table or sig value. More petite than 0.05, variable X simultaneously influences variable Y. The Coefficient of Determination test is used to review the ability of variable X to explain variable Y ([Zarabiyu and Jasman, 2022](#)). As for the equation for multiple regression, namely

$$Y : a + b_1X_1 + b_2X_2 + b_3X_3$$

Information:

- Y : Tax aggressiveness
 a : constant (Y value if X = 0)
 $b_{1,2,3}$: regression coefficient
 X_1 : Transfer pricing variable
 X_2 : Variable capital intensity
 X_3 : Independent commissioner variable

RESULTS AND DISCUSSION

Results of Descriptive Statistics

Table 2 Results of Descriptive Statistic

	N	Average	Minimum	Maksimum	Standard Deviation
Transfer Pricing	69	0,3310013	0,00062	0,97253	0,33298342
Capital Intensity	69	0,3445388	0,02295	0,76225	0,18239906
Independent commissioner	69	0,3957335	0,20000	0,66667	0,07974527
Cash Effective Tax Ratio	69	0,2071681	0,06573	0,42305	0,07074696
Valid N (listwise)	69				

Source: SPSS data processing, 2023

In Table 2, the results of the statistical test, it can be seen that the smallest and largest values for transfer pricing (X1) are 0.00062 (AMRT) and 0.97253 (CLEO), respectively. The standard deviation is 0.33298, more significant than the average value of 0.33100. This means the data obtained has a comprehensive and quite diverse distribution, with some extreme data.

In the capital intensity variable (X2), the smallest value is 0.02295 (TGKA), the most considerable value is 0.76225 (CLEO), and the standard deviation is 0.18239, which is less than the average value of 0.34454. The smallest and largest values for the independent commissioner variable (X3) are 0.20000 and 0.66667, re, respectively, from the UNVR company, then the mean value is 0.39573, more significant than the standard deviation of 0.07975. Finally, for the variable tax aggressiveness (Y), the smallest value, the almost considerable value is 0.42305, and 0.07045 for a standard deviation is smaller than the mean score, n, which is 0.20717. In the capital intensity (X2), independent commissioner (X3), and tax aggressiveness (Y) variables, the standard deviation value is smaller than the mean value, which means that the data obtained has a smaller distribution of data and does not vary too much so that it is more accurate with the mean and can describe the entire data.

Classical Assumption Test Results

Table 3 Classical Assumption Test Results

Classic Assumption Test	Criteria	Test Results	Decision
Normality test	> 0,05	0,200	Normal Data
Multicollinearity Test			
Tolerance	> 0,100	TP:1,204 CI:1,234 KI: 1,037	There are no symptoms of multicollinearity.
VIF	< 10,00	TP: 0,831 CI: 0,811 KI: 0,964	
Heteroscedasticity Test	> 0,05	TP: 0,794 CI: 0,416 KI: 0,086	There are no symptoms of Heteroscedasticity
Autocorrelation Test	$DU < DW < (4-DU)$	$1,7015 < 1,883 < 2,2985$	There are no autocorrelation symptoms

Source: SPSS data processing 26, 2023

The Kolmogorov-Smirnov test was used as a normality test in this research, and the results showed that 69 data were typically distributed, used with the results of the normality test showing the Sig. of 0.200 which is greater than 0.05. Then, the results of the multicollinearity test show that there are no symptoms of multicollinearity, with the VIF values for the independent variables respectively 1.204 (X₁), 1.234 (X₂), 1.037 (X₃), which are less than 10.00 and the results for the tolerance values are respectively 0.831 (X₁), 0.811 (X₂), 0. more significant) which is greater than 0.1.

Then, the heteroscedasticity test using the Glejser test reveals if all independent variables have sig values. More incredible than 0.05, namely 0.794 (X₁), 0.416 (X₂), and 0.086 (X₃), it can be seen that there are no symptoms of heteroscedasticity. Finally, for the autocorrelation test with the Durbin-Watson test, it can be concluded that there are no symptoms of autocorrelation, indicated by the Durbin-Watson (d) value of 1.883. These results are between dU to (4-dU), with the equation being $1.7015 < 1.883 < 2.2985$.

Multiple Linear Regression Test Results

Table 4 Multiple Linear Regression Test Results

Multiple Linear Regression Test	t-test		F-test	Coefficient of Determination
	Unstandardized Coefficients			
Model	B	Sig.	Sig.	Adj. R Square
Constant	.303	.000	0,003	0,158
Transfer Pricing	-.065	.015		
Capital Intensity	-.086	.078		
Independent commissioner	-.114	.261		

Source: SPSS data processing, 2023

Coefficient of Determination

In the test for the coefficient of determination, the Adjusted R Square value is 0.158, which means that the effect of the transfer pricing, capital intensity, and independent commissioner variables on the tax aggressiveness variable is 15.8%, and other variables influence 84.2%.

F-test

From the results of the F test, the value of Sig. is equal to 0.003 < 0.005, and the calculated F value is 5.258 > 2.74, which can be concluded that the research model is acceptable, namely variable X simultaneously influences variable Y.

t-test

The results of statistical tests show a significant value for the transfer pricing variable, which is 0.015, which is less than 0.05, which means that transfer pricing hurts tax aggressiveness. Then for the capital, the results are Sig for the capital intensity variable and the independent commissioner, Greater 0.078 and 0.261, respectively, and it was concluded that capital intensity and the independent commissioner did not effect on did not affect.

From the results of the regression coefficients, the following is the equation of the multiple linear regression model.

$$Y : a + b_1X_1 + b_2X_2 + b_3X_3,$$

$$Y = 0,303 - 0,065 X_1 - 0,086 X_2 - 0,114 X_3$$

Effect of transfer pricing on tax aggressiveness

The research results show that the second hypothesis (H1) is accepted: transfer pricing affects tax aggressiveness. The results of this research support the research of [Trisnawati et al. \(2020\)](#) and [Fitriani and Suyanto \(2021\)](#), in which state transfer pricing has affected aggressiveness. Companies with significant transfer pricing activities indicate that the company aims to reduce, so management tries implementing transfer pricing schemes. Transfer pricing schemes are generally carried out by exploiting weaknesses in tax regulations, namely by setting unreasonable prices on goods/service transactions with related parties, after which transfer profits from these transactions to related parties domiciled in countries with lower tax rates. Transfer pricing can also be carried out by inflating costs/profits and providing services between related companies ([Fitriani et al., 2021](#); [Rini et al., 2022](#)).

Effect of capital intensity on tax aggressiveness

The results of the tests show that hypothesis two (H2) is rejected, so the capital intensity is considered not to affect effectiveness. The results of this research support the research of [Amalia \(2021\)](#), [Pratiwi and Oktaviani \(2021\)](#), [Sakinah et al. \(2020\)](#), [Savitri and Rahwatati \(2017\)](#), and [Jaffar et al. \(2021\)](#). Capital intensity is considered not to affect not affects because even if a company has a large number of fixed assets but cannot use the maximum depreciation expense from its fixed assets, the amount of tax paid by the company is not affected ([Amalia, 2021](#); [Pratiwi and Oktaviani, 2021](#)). Then another factor is that the company uses its fixed assets to support operational activities, so it will increase net profit higher than taking advantage of the depreciation expense of its fixed assets. Companies do not deliberately keep large amounts of fixed assets to avoid taxation, so this large number of fixed assets does not affect the level of tax aggressiveness carried out by a company ([Amalia, 2021](#); [Sakinah et al., 2020](#); [Savitri and Rahmawati, 2017](#)).

The effect of independent commissioners on tax aggressiveness

The research results are hypothesis three (H3) being rejected. Namely, the Independent Commissioner does not affect aggressiveness. The results of this research are in line with the research of [Susanto et al. \(2018\)](#) and [Hadi and Magoting \(2014\)](#); the presence of an independent commissioner in the company is considered only as a condition carried out to fulfill fundamental requirements required by the Financial Services Authority which requires a company to have a minimum proportion of 30% of the total number of members of the Board of Commissioners ([Hadi and Mangoting, 2014](#)). Independent commissioners are also considered to lack adequate knowledge regarding the company's core business, resulting in the supervision of company activities that are notareximized, then; this optimal supervision which causes the presence of independent commissioners does not affect the decision to implement tax aggressiveness in a company ([Rosidy and Nugroho, 2019](#); [Susanto et al., 2018](#)).

CONCLUSION

From the research conducted, the conclusion that can be drawn is that transfer pricing affects tax aggressiveness because companies that aim to reduce their taxes tend to be more aggressive in determining transfer prices between related companies. Hence, the prices set are not fair. Then, capital intensity does not affect tax aggressiveness because the company's fixed assets are used to support operational activities and increase its operating profit; the number; of fixed assets does not affect the level of tax aggressiveness in a company. Finally, the independent commissioner has no effect does not effectiveness because the independent commissioner within the company is considered only as fulfilling formal regulations required by the OJK and lacks knowledge of the company's core business, so supervision is not optimal, so it does not affect the company's ability to carry out tax aggressiveness.

This research has implications in that it can be a reference for interested parties such as investors to be used as material for consideration decisions to invest their capital and the government in making decisions regarding tax aggressiveness measures. The limitation of thof study is that there is some data regarding one of the variables, namely transfer pricing,h is not available in several companies, thus causing a reduction in the research sample and when viewed from the results of the coefficient of determination where the three variables examined in this research only have an effect of 15.8%, which means that there are quite a large number of other variables not examined that affect tax aggressiveness. So the suggestion for further research is to expand the population using other sectors and expand the independent variables that have not been studied in this research to find out other components that influence tax aggressiveness.

REFERENCES

- Alita, D., Putra, A. D., and Darwis, D. (2021). Analyze classic assumption and multiple linear regression coefficient tests for employee structural office recommendations. *IJCCS (Indonesian Journal of Computing and Cybernetics Systems)*, 15(3), 295. <https://doi.org/10.22146/ijccs.65586>
- Alkausar, B., Lasmana, M. S., and Soemarsono, P. N. (2020). Agresivitas Pajak: Sebuah Meta Analisis dalam Perspektif Agency Theory. *The International Journal of Applied Business (TIJAB)*, 4(1), 52–62.
- Amalia, D. (2021). Pengaruh Likuiditas, Leverage Dan Intensitas Aset Terhadap Agresivitas Pajak. *KRISNA: Kumpulan Riset Akuntansi*, 12(2), 232–240. <https://doi.org/http://dx.doi.org/10.22225/kr.11.2.1154.190-196>
- Ardyansyah, Z. D. (2014). Pengaruh Size, Leverage, Profitability, Capital Intensity Ratio Dan Komisaris Independen Terhadap Effective Tax Rate (ETR). *Diponegoro Journal of Accounting*, 3(2), 1–9. <http://ejournal-s1.undip.ac.id/index.php/accounting>
- Ariani, M. O., and Prastiwi, D. (2020). Pengaruh Corporate Social Responsibility terhadap Agresivitas Pajak dengan Kinerja Keuangan sebagai Variabel Moderasi. *AKUNESA: Jurnal Akuntansi Unesa*, 8(3). <https://journal.unesa.ac.id/index.php/jurnal-akuntansi/>
- Chen, S., Chen, X., Cheng, Q., and Shevlin, T. (2010). Are family firms more tax aggressive than non-family firms? *Journal of Financial Economics*, 95(1), 41–61. <https://doi.org/10.1016/j.jfineco.2009.02.003>
- Direktur Jenderal Pajak. (2011). *DGP regulation Number PER-32/PJ/2011* (p. 14). [https://www.pajak.go.id/id/peraturan-direktur-jenderal-pajak-nomor-32pj2011#:~:text=Peraturan%20Direktur%20Jenderal%20Pajak%20Nomor%20PER-32%2FPJ%2F2011%20Perubahan Atas,Wajib Pajak Dengan Pihak Yang Mempunyai Hubungan Istimewa](https://www.pajak.go.id/id/peraturan-direktur-jenderal-pajak-nomor-32pj2011#:~:text=Peraturan%20Direktur%20Jenderal%20Pajak%20Nomor%20PER-32%2FPJ%2F2011%20Perubahan%20Atas,Wajib%20Pajak%20Dengan%20Pihak%20Yang%20Mempunyai%20Hubungan%20Istimewa)
- Djumena, E. (2014). *Coca-Cola Diduga Akali Setoran Pajak*. <https://amp.kompas.com/money/read/2014/06/13/1135319/coca-cola-diduga-akalisetoran-pajak>
- Fadli, I. (2016). Pengaruh Likuiditas, Leverage, Komisaris Independen, Manajemen Laba dan Kepemilikan Institusional terhadap Agresivitas Pajak. *Jurnal Online Mahasiswa Fakultas Ekonomi Universitas Riau*, 3(1), 1205–1219.
- Fitriani, D. N., Djaddang, S., and Suyanto. (2021). Pengaruh Transfer Pricing, Kepemilikan Asing, Kepemilikan Institusional Terhadap Agresivitas Pajak dengan Corporate Social Responsibility sebagai Variabel Moderasi. *KINERJA Jurnal Ekonomi Dan Bisnis*, 3(2), 282–297.
- Frank, M. M., Lynch, L. J., and Rego, S. O. (2009). Tax Reporting Aggressiveness and Its Relation to Aggressive Financial Reporting. *Accounting Review*, 84(2), 1–49. <https://doi.org/http://dx.doi.org/10.2139/ssrn.647604>
- Hadi, J., and Mangoting, Y. (2014). Pengaruh Struktur Kepemilikan dan Karakteristik Dewan Terhadap Agresivitas Pajak. *Tax and Accounting Review*, 4(2), 1–10.
- Hariani, A. (2022). *DJP: Realisasi Penerimaan Pajak 2021 Melebihi Target*. <https://www.pajak.com/pajak/djp-realisasi-penerimaan-pajak-2021-melebihi-target/>
- Hasanudin, A. I., Rizqullah, M. H., and Susanto, D. (2022). The Effect of Transfer Pricing, Tax Incentives, and Thin Capitalization on Tax Aggressiveness With Company Size As a Moderate Variable. *Indonesian Journal of Multidisciplinary Science*, 1(8), 826–839. <https://doi.org/10.55324/ijoms.v1i8.150>
- Jaffar, R., Derashid, C., and Taha, R. (2021). Determinants of enforced tax compliance: Empirical evidence from Malaysia. *Journal of Asian Finance, Economics, and Business*, 8(5), 179–188. <https://doi.org/10.13106/jafeb.2021.vol8.no5.0179> Determinants
- Jensen, M. C., and Meckling, W. H. (1976). Theory of The Firm: Managerial Behavior Agency Cost And Ownership Structure. *Journal of Financial Economics*, 3(4), 305–360. [https://doi.org/https://doi.org/10.1016/0304-405X\(76\)90026-X](https://doi.org/https://doi.org/10.1016/0304-405X(76)90026-X)

- Lingga, I. S., Debbianita, Wijaya, I. N. A., and Saputra, C. A. R. (2022). Corporate Governance , Bonus Mechanism and Tunneling Incentives ' Influence on Transfer Pricing Practices. *JIMEA | Jurnal Ilmiah MEA (Manajemen , Ekonomi , Dan Akuntansi)*, 6(3), 1356–1379.
- Muliasari, R., and Hidayat, A. (2020). Pengaruh Likuiditas, Leverage, Dan Komisaris Independen Terhadap Agresivitas Pajak Perusahaan. *SULTANIST: Jurnal Manajemen Dan Keuangan*, 8(1), 28–36.
- Muliawati, I. A. P. Y., and Karyada, I. P. F. (2020). Pengaruh Leverage Dan Capital Intensity Terhadap Agresivitas Pajak Dengan Komisaris Independen Sebagai Variabel Pemoderasi. *Hita Akuntansi Dan Keuangan*, 495–524. www.alinea.id
- Mustika, Ratnawati, V., and Silfi, A. (2017). Pengaruh Corporate Social Responsibility, Ukuran Perusahaan, Profitabilitas, Leverage, Capital Intensity, dan Kepemilikan Keluarga Terhadap Agresivitas Pajak. *JOM Fekon*, 4(1), 1886–1900.
- Muzzakki, D. M. R. (2015). Pengaruh Corporate Social Responsibility Dan Capital Intensity Terhadap Penghindaran Pajak. *Diponegoro Journal of Accounting*, 4(3), 1–8.
- Nugraha, M. (2015). Pengaruh Corporate Social Responsibility, Ukuran Perusahaan, Profitabilitas, Leverage dan Capital Intensity terhadap Agresivitas Pajak. *Diponegoro Journal of Accounting*, 4(4), 1–14. <http://ejournal-s1.undip.ac.id/index.php/accounting>
- Panjalusman, P. A., Nugraha, E., and Setiawan, A. (2018). Pengaruh Transfer Pricing Terhadap Penghindaran Pajak. *Jurnal Pendidikan Akuntansi and Keuangan*, 6(2), 105. <https://doi.org/10.17509/jpak.v6i2.15916>
- Pratiwi, Y. E., and Oktaviani, R. M. (2021). Perspektif Leverage, Capital Intensity, dan Manajemen Laba terhadap Tax Aggressiveness. *Jurnal Akuntansi Dan Pajak*, 22(1), 45–55. <https://doi.org/http://dx.doi.org/10.29040/jap.v20i1.2475>
- Putri, L. T. Y. (2014). Pengaruh likuiditas, manajemen laba dan corporate governance terhadap agresivitas pajak perusahaan. *Pengaruh Likuiditas, Manajemen Laba Dan Corporate Governance Terhadap Agresivitas Pajak Perusahaan*, 1–25.
- Putri, N., and Mulyani, S. D. (2020). Pengaruh Transfer Pricing dan Kepemilikan Asing terhadap Praktik Penghindaran Pajak (Tax Avoidance) dengan Pengungkapan Corporate Social Responsibility (CSR) sebagai Variabel Moderasi. *Prosiding Seminar Nasional Pakar*, 3(2), 2.4.1-2.4.9.
- Ratmono, D., and Sagala, W. M. (2016). Pengungkapan Corporate Social Responsibility (CSR) Sebagai Sarana Legitimasi: Dampaknya Terhadap Tingkat Agresivitas Pajak. *Nominal, Barometer Riset Akuntansi Dan Manajemen*, 4(2), 16–30. <https://doi.org/10.21831/nominal.v4i2.7997>
- Rengganis, M. Y. dwi, and Dwija Putri, I. G. A. . A. (2018). Pengaruh Corporate Governance dan Pengungkapan Corporate Social Responsibility Terhadap Agresivitas Pajak. *E-Jurnal Akuntansi Universitas Udayana*, 24, 871–898. <https://doi.org/10.24843/eja.2018.v24.i02.p03>
- Rini, I. G. A. I. S., Dipa, M., and Yudha, C. K. (2022). Effects of Transfer Pricing, Tax Haven, and Thin Capitalization on Tax Avoidance. *Jurnal Ekonomi and Bisnis JAGADITHA*, 9(2), 193–198. <https://doi.org/10.22225/jj.9.2.2022.193-198>
- Robin, Toni, N., and Simorangkir, E. N. (2021). The Influence of Transfer Pricing , Corporate Governance , CSR , and Earnings Management on Tax Aggressiveness. ... *Industrial Engineering \and Management ...*, 2(5), 234–244. <https://doi.org/https://doi.org/10.7777/jiemar>
- Rosidy, D., and Nugroho, R. (2019). Pengaruh Komisaris Independen Dan Kompensasi Eksekutif Terhadap Agresivitas Pajak. *Info Artha*, 3(1), 55–65. <https://doi.org/10.31092/jia.v3i1.563>
- Sadjiarto, A., Hartanto, S., . N., and Octaviana, S. (2020). Analysis of the Effect of Business Strategy and Financial Distress on Tax Avoidance. *Journal of Economics and Business*, 3(1), 238–246. <https://doi.org/10.31014/aior.1992.03.01.193>
- Sakinah, N., Widiastuti, N. P. E., and Rahmasari, F. (2020). Pengaruh Capital Intensity, Corporate Social Responsibility, dan Corporate Governance Terhadap Agresivitas Pajak. *Business Management, Economic, and Accounting National Seminar*, 1(1), 820–834.
- Savitri, D. A. M., and Rahmawati, I. N. (2017). Pengaruh Leverage, Intensitas Persediaan, Intensitas Aset

- Tetap, dan Profitabilitas terhadap Agresivitas Pajak. *Jurnal Ilmu Manajemen Dan Akuntansi Terapan (JIMAT)*, 8(November), 19–32.
- Siswanto, D. (2023). *Ekonomi RI Membaik, Tax Ratio Sentuh 10,4% pada Tahun 2022*. <https://nasional.kontan.co.id/news/ekonomi-ri-membaik-tax-ratio-sentuh-104-pada-tahun-2022>
- Suhendah, R., and Imelda, E. (2012). Pengaruh Informasi Asimetri, Kinerja Masa Kini Dan Kinerja Masa Depan Terhadap Earnings Management Pada Perusahaan Manufaktur Yang Go Public Dari Tahun 2006-2008. *Jurnal Akuntansi*, XVI(02), 262–279.
- Sukmana, Y. (2020). *RI Diperkirakan Rugi Rp68,7 Triliun Akibat Penghindaran Pajak*. <https://money.kompas.com/read/2020/11/23/183000126/ri-diperkirakan-rugi-rp-68-7-triliun-akibat-penghindaran-pajak>
- Susanto, L., Yanti, and Viriany. (2018). Faktor-Faktor Yang Mempengaruhi Agresivitas Pajak. *Jurnal Ekonomi*, 13(1), 10–19.
- Suyanto, K. D., and Supramono. (2012). Likuiditas, Leverage, Komisaris Independen, dan Manajemen Laba Terhadap Agresivitas Pajak Perusahaan. *Jurnal Keuangan Dan Perbankan*, 16(2), 167–177. <http://jurkubank.wordpress.com>
- Tax Justice Network. (2020). The State of Tax Justice 2020 : Tax Justice during COVID-19. *Tax Justice Network*, November, 1–83. <https://www.taxjustice.net/reports/the-state-of-tax-justice-2020/>
- Tax Justice Network. (2021). *The state of tax justice 2021*. November, 1–72. https://taxjustice.net/wp-content/uploads/2021/11/State_of_Tax_Justice_Report_2021_ENGLISH.pdf
- Trisnawati, E., Fenny, and Budiono, H. (2020). Influence of Transfer Pricing, CEO Compensation, and Accounting Irregularities on Tax Aggressiveness. *Advance in Social Science, Education, and Humanities Research*, 439(Ticash, 2019), 170–174. <https://doi.org/10.2991/assehr.k.200515.028>
- Waseso, R. (2020). *Penjualan Meningkat 26% Sejak Pandemi, UMKM Didorong Masuk Pasar E-Commerce*. <https://amp.kontan.co.id/news/penjualan-meningkat-26-sejak-pandemi-umkm-didorong-masuk-pasar-e-commerce>
- Zarabiyu, N. C., and Jasman. (2022). Book Tax Difference, Volatilitas Arus Kas, dan Persistensi Laba. *Soedirman Accounting Review*, 7(01), 1–15.