

Factors Influencing Tax Aggressiveness on Property and Real Estate Companies Listed on the Indonesia Stock Exchange (IDX)

^{1,*} **Magista Nora Puspita, ^{2,*} Rina Trisnawati**

¹) Faculty of Economics and Business, Muhammadiyah University Surakarta, Indonesia

²) Faculty of Economics and Business, Muhammadiyah University Surakarta, Indonesia

Abstract: This study aims to analyze the effect of Managerial Ownership, Institutional Ownership, Audit Committee, Profitability, Capital Intensity Ratio and Financial Distress on Tax Aggressiveness. This research is a quantitative study using multiple linear regression analysis with the help of SPSS software. The population in this study are property and real estate companies listed on the Indonesia Stock Exchange (IDX) in 2018-2021. The sampling technique in this study used a purposive sampling method, the samples used were 37 property and real estate companies that met the criteria with 137 data used as research samples. The results of the research analysis show that profitability and capital intensity ratio have an effect on tax aggressiveness, while managerial ownership, institutional ownership, audit committee, and financial distress have no effect on tax aggressiveness.

Keywords: Managerial Ownership, Institutional Ownership, Audit Committee, Profitability, Capital Intensity Ratio, Financial Distress, Tax Aggressiveness.

I. Introduction

Taxes are a source of state revenue with the highest percentage when compared to sources of state revenue from other sectors. The definition of tax according to Law Number 28 of 2007 Article 1 Paragraph 1 is a mandatory contribution to the state that is owed by individuals or entities that are coercive based on the Law, by not receiving direct compensation and used for the needs of the state for the greatest prosperity of the people. Based on the definition of the law, it is clear that taxes are a source of income for the state. This is reinforced by the opinion of Safitri & Rahmawati (2017), that tax revenue is the largest source of funds for the state because state revenue from taxes reaches around 70% of total government revenue. State revenue will be greater because the greater the tax paid by business actors or companies from the tax sector (Ayem&Setyadi, 2019).

For companies that have a profit orientation, it is likely to reduce all costs including the tax burden and will maximize profits (Savitri & Rahmawati, 2017). There are differences in perceptions about taxes between companies and the government where if according to the companies with taxes it reduces profits received by companies so that companies will try to spend the tax burden to a minimum, whereas according to the government taxes are a source of state revenue so the government will try to increase tax revenues. This difference in perception causes non-compliance by companies to carry out tax evasion or tax aggressiveness (Ayem&Setyadi, 2019).

Tax avoidance efforts by taxpayers can use one of the indicators, namely tax aggressiveness (Andhari&Sukartha, 2017). According to Kamul&Riswandari (2021), tax aggressiveness is an attempt by companies to reduce taxable income in tax planning either by way of tax evasion or tax avoidance. The tax aggressiveness carried out by companies reflects fraud and dishonesty from companies to the state by corporate taxpayers (Magfira&Murtanto, 2021). The authorities have overcome many cases of tax aggressiveness committed by companies with various business and economic sectors (Andhari&Sukartha, 2017).

Factors that can influence tax aggressiveness are managerial ownership, institutional ownership and audit committees. Managerial ownership is one aspect of corporate governance. This ownership is a situation where there is a dual role between managers as company managers and shareholders as company owners or in other words managers own company shares (Lubis et al, 2018). Institutional ownership is shares owned by other institutions such as companies

or financial management institutions or funds that have legal entities. The greater the percentage of institutional ownership, the lower the level of corporate tax aggressiveness due to the tighter supervision carried out by these institutions (Magfira&Murtanto, 2021).The audit committee is a committee that assists and is responsible to the Board of Commissioners. The role of the audit committee is to provide advice regarding financial reporting policies and internal controls. An increasing number of audit committees can tighten the management control system (Yuliani&Prastiwi, 2021).

Other factors that can influence tax aggressiveness are profitability, capital intensity ratio, and financial distress. Profitability is one measure of company performance. This profitability is the ability of a company to generate profits during a certain period. If a company has a low profitability ratio, it will have an impact on the tax burden borne by the company is also low (Andhari&Sukartha, 2017).The capital intensity ratio is a characteristic of a company that can influence the company's practice of tax avoidance. The capital intensity ratio is how much the company invests its assets in fixed assets and inventories. The greater the fixed assets owned by the company, the lower the taxes paid, and vice versa (Ayem&Setyadi, 2019).Financial distress is an event of continuous decline in the company's financial performance within a certain period of time. The company can still carry out its operational activities but the company is experiencing financial difficulties where the company has high debt. Companies experiencing financial distress tend to seek solutions by carrying out tax aggressiveness. (Octaviani& Sofia, 2018).The purpose of this study is to analyze the effect of Managerial Ownership, Institutional Ownership, Audit Committee, Profitability, Capital Intensity Ratio and Financial Distress on Tax Aggressiveness.

II. Literature Review

2.1. Agency Theory

The theory underlying this research is agency theory. This theory contains the relationship between the party who owns the company or the superior (principal) with subordinates (agents) who are bound in a work contract to carry out the task of representing the owner of the company (principal) which includes the delegation of authority in decision making by agents (Jensen and Meckling, 1976 in Riswandari&Bagaskara, 2020). Agency theory arises when management tries to reduce taxes by avoiding taxes to get high corporate value, while the principal does not want tax evasion because it is considered a manipulation of financial statements. Tax avoidance by management can also provide information asymmetry to investors (Adityamurti&Ghozali, 2017).

2.2. Managerial Ownership

Managerial ownership is a condition where there is a dual role between managers as company managers and shareholders as company owners or in other words a manager is also someone who owns company shares (Lubis et al, 2018).With managerial share ownership, it can align the interests of managers and other shareholders, ensure contracts run with the interests of other shareholders, ensure contracts run smoothly, and present financial reports that are in accordance with actual existence, and can overcome agency problems that occur (Novitasari, 2017).

2.3. Institutional Ownership

Institutional ownership is the number of company shares owned by other agencies and blockholders at the end of the year. Block holders, namely ownership on behalf of individuals other than managerial ownership and ownership levels above 5% (Wijayani, 2016 in Yuliani&Prastiwi, 2021). Supervision will be more stringent if the company's institutional ownership is increasing, because institutional ownership has a stake in making company decisions.

2.4. Audit Committee

The audit committee is a committee that assists and is responsible to the Board of Commissioners. The role of the audit committee is to provide advice regarding financial reporting policies and internal controls. An increasing number of audit committees can tighten the management control system (Yuliani&Prastiwi, 2021).The purpose of establishing an audit committee is to assist the board of commissioners in carrying out a control function that can reduce the opportunity for deviations in company management and oversight of company performance in financial reporting (Wiagustini, 2010 in Ayem&Setyadi, 2019).

2.5. Profitability

According to Sartono (2010) profitability is a company's ability to earn profits in relation to sales, total assets and own capital, while Irawati (2006) states that profitability ratios are ratios used to measure the efficient use of company assets or are the ability of a company to generate profits. during a certain period. Profitability can reflect the ability of a

company or organization to earn profits in a certain period. If a company has a low profitability ratio, the impact on the tax burden borne by the company is also low (Andhari&Sukartha, 2017).

2.6. Capital Intensity Ratio

The capital intensity ratio is how much the company invests its assets in fixed assets and inventories. Almost all fixed assets owned by the company will experience depreciation and depreciation costs can affect the amount of tax paid by the company. (Ayem&Setyadi, 2019). Capital intensity ratio is one of the assets used by companies in assets to produce and earn profits. Investment in fixed assets will cause a depreciation expense from the fixed assets invested (Lestari et al, 2019).The greater the fixed assets owned by the company, the lower the taxes paid, and vice versa (Ayem&Setyadi, 2019).

2.7. Financial Distress

Financial distress is an event of continuous decline in the company's financial performance within a certain period of time. For companies, financial distress is one of the most common causes of bankruptcy. Because it is different from the decline in ordinary profits, the nominal loss due to financial distress can be so large that it affects the smooth operation of the company.Companies experiencing financial distress tend to seek solutions by carrying out tax aggressiveness. (Octaviani& Sofia, 2018).

2.8. Tax Aggressiveness

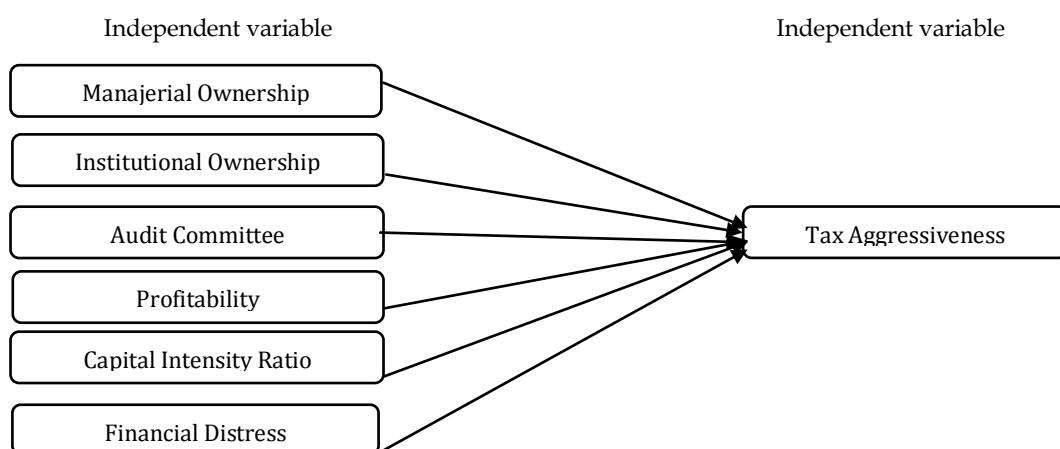
Tax aggressiveness is the actions taken by companies to reduce their tax obligations. Hilaing (2012) in Savitri&Rahmawati (2017) defines tax aggressiveness as a tax planning activity for every company involved in efforts to reduce or minimize taxes.The company considers tax as an additional cost burden that can reduce the company's profits. Therefore, the company is predicted to take actions that will reduce the company's tax burden (Indradi, 2018).

III. Identification and Equation

3.1. Research Design

This study uses associative quantitative methods as an approach in analyzing research problems because this research uses numbers as variable indicators to answer research problems.

3.2. Conceptual



3.3. Population and Sample

The population of this study are 83 property and real estate companies listed on the Indonesia Stock Exchange (IDX). Purposive sampling is the sampling technique used in this study. The samples for this study were 37 companies, with a total of 148 samples collected over four periods and 11 samples were used to outlier the data so that the final sample used was 137 samples.

3.4. Data

This type of research data uses secondary data in the form of annual reports of property and real estate companies listed on the Indonesia Stock Exchange (IDX) which can be accessed on the official website of the Indonesia Stock Exchange, namely www.idx.co.id or the websiterelated companies.

3.5. Data Analysis

The analytical method used to test the hypothesis is a multiple linear regression analysis model. Multiple linear regression analysis to test the effect of several independent variables on one dependent variable. The test model in this study is stated in the equation below:

$$ETR = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \epsilon$$

Information:

- α : Constant
- $\beta_1 - \beta_6$: Coefficient of each variable
- ETR : Tax Aggressiveness
- X1 : Managerial Ownership
- X2 : Institutional Ownership
- X3 : Audit Committee
- X4 : Profitability
- X5 : Capital Intensity Ratio
- X6 : Financial Distress
- ϵ : error value

3.6. Variables measurement

Managerial Ownership (MO)

Managerial ownership can be measured by Managerial ownership is measured by dividing shares owned by managers such as directors, management, commissioners by total shares (Octaviani&Sofie, 2018). So it can be formulated as follows:

$$MO = \frac{\text{Share ownership by management}}{\text{Outstanding share}} \times 100\%$$

Institutional Ownership (IO)

Institutional ownership is measured by dividing the shares owned by the institution by the total shares (Octaviani&Sofie, 2018). So it can be formulated as follows:

$$IO = \frac{\text{Share ownership by institution}}{\text{Outstanding share}} \times 100\%$$

Audit Committee (AC)

This audit committee calculation refers to (Maghfira&Murtanto, 2021) with the following formula:

$$AC = \text{The total number of audit committees the company has}$$

Profitability (ROA)

Profitability can be measured by return on assets (ROA). Where by comparing net profit after tax with total assets (Yuliana & Wahyudi, 2018). So it can be formulated as follows:

$$ROA = \frac{\text{Net profit after tax}}{\text{Total assets}}$$

Capital Intensity Ratio (CIR)

The capital intensity ratio shows how much of a company's assets are invested in fixed assets. The calculation of the capital intensity ratio refers to (Octaviani&Sofie, 2018) with the following formula:

$$CIR = \frac{\text{Total fixed assets} - \text{depreciation}}{\text{Total assets}}$$

Financial Distress (FD)

Financial distress in a company can be calculated using the Zmijewski model (Octaviani&Rofie, 2018) as follows:

$$X\text{-score} = -4.3 - 4.5 \text{ ROA} + 5.7 \text{ DAR} - 0.004 \text{ CR}$$

Based on the Zmijewski model, there is a cut off of 0 with the criterion if the result $X < 0$ then the company is declared not experiencing financial distress and if the result $X > 0$ then the company is declared experiencing financial distress.

Tax Aggressiveness (ETR)

Tax aggressiveness can be calculated using the ETR proxy referring to research (Yuliana & Wahyudi, 2018). The higher the ETR, the lower the tax aggressiveness. The formula used to calculate ETR is as follows:

$$ETR = \frac{\text{Income tax expense}}{\text{Profit before income tax}}$$

IV. Data Analysis and Discussion

4.1. Descriptive Statistical Analysis

Table 1. Descriptive Analysis Results

Variable	Minimum	Maximum	Mean	Standard Deviation
Tax Aggressiveness	-103,923	0.46220	-0.76466	8.87937
Managerial Ownership	0.000007	0.98854	0.10926	0.22782
Institutional Ownership	0.00028	0.89793	0.55110	0.25732
Audit Committee	2	4	2.99	0.271
Profitability	-0.375 15	0.25852	0.01369	0.06689 _
Capital Intensity Ratio	-0.00039	1.35979	0.09336	0.16123
Financial Distress	-5.63656	2.15818	-2.28929	1.36321

Source: Secondary data processed by the author, 2022

Based on table 1, it shows the number of samples (N) of 137 company data during 2018-2021, from each variable it can be interpreted as follows:

1. Managerial Ownership
Managerial ownership (X1) has the lowest value of 0.000007 in the Lippo KarawaciTbk company in 2019 while the highest value is 0.98854 in the MahaProperti Indonesia Tbk company in 2018-2021.
2. Institutional Ownership
Institutional ownership (X2) has the lowest value of 0.00028 in the Bumi Citra PermaiTbk company in 2020 while the highest value is 0.89793 in the Natura City Developments Tbk company in 2020.
3. Audit Committee
The Audit Committee (X3) has the lowest score of 2 in the companies Bekasi AsriPemulaTbk in 2018-2019 and RodaVivatexTbk in 2018-2021 while the highest score is 4 in the companies Lippo KarawaciTbk in 2019-2021, Metropolitan KentjanaTbk in 2018-2021, and AgungPodomoro Land Tbk in 2019.
4. Profitability
Profitability (X4) has the lowest value of -0.37515 for the Lippo CikarangTbk company in 2018, while the highest score is 0.25852 for the Lippo CikarangTbk company in 2020.
5. Capital Intensity Ratio
The capital intensity ratio (X5) has the lowest value of -0.00039 for the Bekasi AsriPemulaTbk company in 2021, while the highest value is 1.35979 for the Trimitra Propertindo Tbk company in 2020.
6. Financial Distress
Financial distress (X6) has the lowest value -5.63656 for the Star Pacific Tbk company in 2021 while the highest score is 2.15818 for the Binakarya Jaya AbadiTbk company in 2020.
7. Tax Aggressiveness
Tax aggressiveness (Y) has the lowest value -103.923 for the Metro Realty Tbk company in 2021 while the highest value is 0.46220 for the Metro Realty Tbk company in 2019.

4.2. Classical Assumptions Test Results

Based on the data that has been processed in this study, the classical assumption test results are obtained as follows. the first is the normality test, this test uses the assumption of the central limit theorem, namely if the number of research data is quite a lot ($n > 30$). In this study, the number of N was $137 > 30$, so it was concluded that the research data were normally distributed.

Furthermore, multicollinearity testing is carried out, based on this test it is known that the correlation between variables can be seen through the tolerance value and VIF value, if the tolerance value is more than 0.10 and the VIF value is less than 10, it can be said that the regression is free from multicollinearity. The results of this multicollinearity test show that each variable has a tolerance value of more than 0.10 and a VIF value of less than 10, so it can be concluded that there is no multicollinearity.

The next test is heteroscedasticity, in this study using the Spearman rank correlation test if the significance value is more than 0.05 then heteroscedasticity does not occur in the regression model, conversely if the significance value is less than 0.05 then heteroscedasticity occurs in the regression model. The results of the heteroscedasticity test in this study showed that the sig (2-tailed) values of all variables were above 0.05. So it can be said that the regression model of this study does not occur heteroscedasticity.

Then there is an autocorrelation test, this test can be seen whether there is autocorrelation or not with the Durbin-Watson test (DW Test), if the DW value is above the 4-du value table or smaller than du then it indicates the presence of autocorrelation symptoms in the regression model. The results of this study's autocorrelation test on the regression model showed a Durbin-Watson value of 1,831 so that the regression model of this study was free from autocorrelation.

4.3. Model Fixedness Test

4.3.1. Multiple Linear Regression

Table 2. Multiple Linear Regression Results

Variable	UnstandardizedCoefficients			
	Beta	Std.Error	T count	Sig.
1 (Constant)	-68716302,5	97003502.94	-0.708	0.480
Managerial Ownership	0.009	0.038	0.225	0.822
InstitutionalOwnership	0.049	0.032	-0.126	0.126
Audit Committee	7066605,732	31572481,44	0.224	0.823
Profitability	-0.399	0.136	-2,493	0.014
Capital Intensity Ratio	0.211	0.072	2,919	0.004
Financial Distress	-0.008	0.007	-1,247	0.215

Source: Secondary data processed by the author, 2022

Based on the table above, the regression equation is obtained as follows $Y = 0.009 X1 + 0.049 X2 + 7066605.732 X3 - 0.339 X4 + 0.211 X5 - 0.008 X6 + e$. The regression equation is interpreted as follows:

1. A constant value (a) of -68716302.5 means that if the independent variables of managerial ownership, institutional ownership, audit committee, profitability, capital intensity ratio, and financial distress are worth 0 then the magnitude of the dependent variable of tax aggressiveness is -68716302.5.
2. The regression coefficient value of the managerial ownership variable is 0.009, which means that if managerial ownership increases by 1 unit, the tax aggressiveness will increase by 0.009.
3. The regression coefficient value of the institutional ownership variable is 0.049, which means that if institutional ownership increases by 1 unit, the tax aggressiveness will increase by 0.049.
4. The regression coefficient value of the audit committee variable is 7066605.732 which means that if the audit committee increases by 1 unit, the tax aggressiveness will increase by 7066605.732.
5. The regression coefficient value of the profitability variable is -0.339, which means that if profitability increases by 1 unit, the tax aggressiveness will decrease by 0.339.
6. The value of the regression coefficient of the capital intensity ratio variable is 0.211, which means that if the capital intensity ratio increases by 1 unit, the tax aggressiveness will increase by 0.211.
7. The regression coefficient value of the financial distress variable is -0.008, which means that if financial distress increases by 1 unit, then tax aggressiveness will decrease by 0.008.

4.3.2. Simultaneous Test (Test F)

Table 3. F Test Results

Variable	F count	F table	Sig.	Information
MO, IO, AC, ROA, CIR, FD	3,828	2,17	0.002	FIT MODELS

Source: Secondary data processed by the author, 2022

Based on the table above, it can be seen that the F value is 3.828 with a significant yield level of 0.002. That the value is significantly less than 0.05, which means the model is fit. So, the independent variable can be used to predict the dependent variable.

4.3.3. Statistical Test (t-test)

Table 4. Test Results t

Variable	t count	T table	Sig.	Information
Managerial Ownership	-0.708	1.65666	0.822	Rejected
Institutional Ownership	0.225	1.65666	0.126	Rejected
Audit Committee	1,540	1.65666	0.823	Rejected
Profitability	-2,493	1.65666	0.014	Accepted
Capital Intensity Ratio	2,919	1.65666	0.004	Accepted
Financial Distress	-1,247	1.65666	0.215	Rejected

Source: Secondary data processed by the author, 2022

Based on the table, it can be explained as follows:

1. First Hypothesis Test Results (H₁)

In this study, the first hypothesis (H₁) is managerial ownership. Based on the results of the statistical t test in the table above, it is known that managerial ownership has a significant value of 0.822 greater than 0.05. This shows that H₁ is rejected. Therefore, it can be concluded that managerial ownership has no effect on tax aggressiveness. variable has a significant value of 0.822 greater than 0.05 so it can be concluded that managerial ownership has no effect on tax aggressiveness.

2. Second Hypothesis Test Results (H₂)

In this study, the second hypothesis (H₂) is institutional ownership. Based on the results of the statistical t test in table above, it is known that institutional ownership has a significant value of 0.128 greater than 0.05. This indicates that H₂ is rejected. Therefore, it can be concluded that institutional ownership has no effect on tax aggressiveness.

3. Third Hypothesis Test Results (H₃)

In this study, the third hypothesis (H₃) is the audit committee. Based on the results of the statistical t test in table above, it is known that the audit committee has a significant value of 0.823 greater than 0.05. This shows that H₃ is rejected. Therefore, it can be concluded that the audit committee has no effect on tax aggressiveness.

4. Fourth Hypothesis Test Results (H₄)

In this study, the fourth hypothesis (H₄) is profitability. Based on the results of the statistical t test in table above, it is known that profitability has a significant value of 0.014, less than 0.05. This indicates that H₄ is accepted. Therefore, it can be concluded that profitability affects tax aggressiveness.

5. Fifth Hypothesis Test Results (H₅)

In this study, the fifth hypothesis (H₅) is the capital intensity ratio. Based on the results of the statistical t test in table above, it is known that the capital intensity ratio has a significant value of 0.004, less than 0.05. This shows that H₅ is accepted. Therefore, it can be concluded that the capital intensity ratio affects tax aggressiveness.

6. Sixth Hypothesis Test Results (H₆)

In this study, the sixth hypothesis (H₆) is financial distress. Based on the results of the statistical t test in table above, it is known that financial distress has a significant value of 0.215 greater than 0.05. This shows that H₆ is rejected. Therefore, it can be concluded that financial distress has no effect on tax aggressiveness.

1.3.4. Determination Coefficient Test (R²)

Table 5. Test Results for the Coefficient of Determination

Model	R	RSquare	Adjusted R Square	std.Error of the Estimates
1	0.387	0.150	0.111	92878907,34682

Source: Secondary data processed by the author, 2022

Based on the table above, the adjusted R^2 is 0.111 or 11.1%. This shows that the tax aggressiveness variable can be explained by the variable managerial ownership, institutional ownership, audit committee, profitability, capital intensity ratio, and financial distress of 11.1%. While the remaining 88.9% can be explained by other variables outside this research model.

4.4. Discussion of Research Results

1. The Effect of Managerial Ownership on Tax Aggressiveness

Based on the results of the analysis, managerial ownership has no effect on tax aggressiveness. The reason is that even though the managers in the company have the opportunity to use a tax aggressiveness strategy to increase bonuses for them and their dividends, the managers and shareholders in the company have no influence in making company decisions. There is no influence of managers in making decisions within the company because the average managerial share ownership in Indonesia is below 5%.

This is in line with the results of research conducted by Octaviani&Sofie (2018) which states that managerial ownership has no effect on tax aggressiveness. In addition, Novitasari's research (2017) also states that managerial ownership has no effect on tax aggressiveness.

2. The Effect of Institutional Ownership on Tax Aggressiveness

Based on the results of the analysis, institutional ownership has no effect on tax aggressiveness. The results of this study indicate that companies in Indonesia with high institutional ownership have not been able to reduce the corporate tax aggressiveness. Institutional parties are unable to pressure management to implement good tax planning activities, so the size of the percentage of share ownership owned by institutions in the company does not affect the level of tax aggressiveness in the company.

This result is in line with the results of a study conducted by Setyawan et al (2019) which stated that institutional ownership has no effect on tax aggressiveness. In addition, research by Octaviani&Sofie (2018) also states that institutional ownership has no effect on tax aggressiveness.

3. The Effect of the Audit Committee on Tax Aggressiveness

Based on the results of the analysis, the audit committee has no effect on tax aggressiveness. The audit committee is a party appointed by the principal and has the main task of assisting the board of commissioners in ensuring that financial reports and the implementation of internal and external audits take place according to existing procedures. However, the small number of audit committees still does not guarantee the presence or absence of tax aggressiveness, this is possible because there are still limits on the authority of the board of commissioners. There is a rule that the number of audit committees of at least 3 people may only be used to comply with government regulations.

The results of this study are in line with the results of research conducted by Yuliani&Prastiwi (2018) which state that the audit committee has no effect on tax aggressiveness. Apart from that, this research is also in line with research conducted by Maghfira&Murtanto (2021) which states that audit committees have no effect on tax aggressiveness.

4. The Effect of Profitability on Tax Aggressiveness

Based on the results of the analysis, profitability affects tax aggressiveness. This is because the high value of profitability in the company can describe the efficiency carried out by the company. Increased profits result in increased company profitability, so that the amount of tax to be paid also increases. Therefore, companies will tend to try to reduce tax aggressiveness.

The results of this study are in line with research conducted by Yulianty et al (2021) which states that profitability influences tax aggressiveness. The results of this study are also in line with research conducted by Ayem&Setyadi (2019) which states that profitability affects tax aggressiveness.

5. The Effect of Capital Intensity Ratio on Tax Aggressiveness

Based on the results of the analysis, the capital intensity ratio has an effect on tax aggressiveness. This shows that the higher the capital intensity ratio, the more significantly the level of tax aggressiveness increases. Companies prefer to invest in assets so that high depreciation expenses arise, and this burden will reduce company profits so that it can affect company tax obligations, therefore companies are increasingly taking aggressive tax planning actions as a form of effort to reduce the amount of the tax burden in that period.

The results of this study are in line with research conducted by Andhari & Sukartha (2017) which states that the capital intensity ratio affects tax aggressiveness. In addition, research conducted by Yuliana & Wahyudi (2018) also states that the capital intensity ratio has an effect on tax aggressiveness.

6. The Effect of Financial Distress on Tax Aggressiveness

Based on the results of the analysis, financial distress has no effect on tax aggressiveness. The results of this study indicate that the company's financial difficulties will not affect the existence of tax aggressiveness to reduce the tax payable, this is because the company will only add to its bad image if it does this. This is when the company is already in poor financial condition, and if the added risks arising from increased tax aggressiveness cause investors to worry about the increased probability of the company going bankrupt and being liquidated. In the end, this will cause the loss of money invested by investors in the company.

The results of this study are in line with research conducted by Octaviani&Sofie (2018) which states that financial distress has no effect on tax aggressiveness. In addition, research conducted by Ari & Sudjawoto (2021) stated that financial distress has no effect on tax aggressiveness.

V. Conclusion

Based on the results of the analysis and discussion in the previous chapter, the following conclusions can be drawn:

1. Managerial Ownership has no effect on tax aggressiveness in property and real estate companies listed on the Indonesia Stock Exchange (IDX) for the 2018-2021 period.
2. Institutional Ownership has no effect on tax aggressiveness in property and real estate companies listed on the Indonesia Stock Exchange (IDX) for the 2018-2021 period.
3. The Audit Committee has no effect on tax aggressiveness in property and real estate companies listed on the Indonesia Stock Exchange (IDX) for the 2018-2021 period.
4. Profitability affects tax aggressiveness in property and real estate companies listed on the Indonesia Stock Exchange (IDX) for the 2018-2021 period.
5. The Capital Intensity Ratio affects tax aggressiveness in property and real estate companies listed on the Indonesia Stock Exchange (IDX) for the 2018-2021 period.
6. Financial Distress has no effect on tax aggressiveness in property and real estate companies listed on the Indonesia Stock Exchange (IDX) for the 2018-2021 period.

Reference

- [1.] Andhari PA S &Sukartha I M. (2017). Effect of Disclosure of Corporate Social Responsibility, Profitability, Inventory Intensity, Capital Intensity and Leverage on Tax Aggressiveness. Udayana University Journal of Accounting, 18(3), 2115-2142.
- [2.] Ayem S. &Setyadi A. (2019). The Effect of Profitability, Company Size, Audit Committee and Capital Intensity on Tax Aggressiveness (Study of Banking Companies Listed on the IDX for the 2013-2017 Period). Dewantara Tax Accounting Journal, 1(2), 228-241.
- [3.] Indradi, Donny (2018). The Effect of Liquidity, Capital Intensity on Tax Aggressiveness (Empirical Study of Manufacturing Companies in the Basic Industry and Chemical Sub-Sector Listed on the IDX 2012-2016). Indonesian Journal of Sustainable Accounting, 1(1), 247-267.
- [4.] Kamul I. &Riswandari E. (2021). The Influence of Board Gender Diversity, Size of Board of Independent Commissioners, Audit Committee and Ownership Concentration on Tax Aggressiveness. Indonesian Journal of Sustainable Accounting, 4(2), 218-238.
- [5.] Lestari PAS, Pratomo D., &Asalam AG (2019). The Effect of Political Connection and Capital Intensity on Tax Aggressiveness. Journal of ASET (Research Accounting), 11(1), 41-54.
- [6.] Lubis I., Suryani, Anggraeni F. (2018). The Effect of Managerial Ownership and Debt Policy on Tax Aggressiveness in Manufacturing Companies. Journal of Accounting and Finance, 7(2), 211-226.

- [7.] Maghfira D. &Murtanto (2021). The Effect of Corporate Governance, Company Size and Profitability on Corporate Tax Aggressiveness. *Journal of Trisakti Accounting*, 8(1), 109-122.
- [8.] Novitasari, Shelly (2017). The Influence of Profit Management, Corporate Governance, and Capital Intensity on Corporate Tax Aggressiveness (Empirical Study of Property and Real Estate Companies Registered in Bei for the 2010-2014 Period). *JOM Fekon*, 4(1), 1901-1914.
- [9.] Octaviani RR &Sofie (2018). The Effect of Good Corporate Governance, Capital Intensity Ratio, Leverage, and Financial Distress on Tax Aggressiveness in Mining Companies Listed on the IDX in 2013-2017. *Journal of Trisakti Accounting*, 5(2), 253-268.
- [10.] Riswandari E. &Bagaskara K. (2020). Tax Aggressiveness Influenced by Executive Compensation, Political Connections, Sales Growth, Leverage and Profitability. *Journal of Accounting*, 10(3), 261-274.
- [11.] Savitri DAM &Rahmawati IN (2017). Effect of Leverage, Inventory Intensity, Fixed Asset Intensity, and Profitability on Tax Aggressiveness. *Journal of Management Science and Applied Accounting*, 8(2), 19-32.
- [12.] Yuliani NA &Pratiwi D. (2021). Influence of Independent Board of Commissioners, Audit Committee, and Institutional Ownership on Tax Aggressiveness. *Journal of Accounting and Finance Research*, 9(1), 141-148.