# TABLE OF CONTENT

**COVER PAGE**

**TITLE PAGE**

**DECLARATION OF AUTHENTICITY OF FINAL PAPER AND UPLOAD AGREEMENT ..... ii**

**APPROVAL PAGE BY FINAL PAPER ADVISOR .....iv**

**APPROVAL PAGE BY FINAL PAPER DEFENSE COMMITTEE .....v**

**ABSTRACT.....vi**

**ABSTRAK ..... vii**

**PREFACE..... viii**

**TABLE OF CONTENTS .....x**

**LIST OF FIGURES ..... xiii**

**LIST OF TABLES .....xiv**

**LIST OF APPENDICES .....xv**

**CHAPTER 1 INTRODUCTION**

1.1. Background of the Study .....1

1.2. Problem Limitation .....9

1.3. Problem Formulation.....9

1.4. Objective of the Research .....10

1.5. Benefit of the Research .....11

1.5.1. Theoretical Benefit.....11

1.5.2. Practical Benefit.....11

**CHAPTER II LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT**

2.1. Theoritical Background ..... 12

2.1.1. Agency Theory ..... 12

2.1.1. Profitability ..... 13

2.1.2. Capital Structure ..... 15

2.1.3. Firm Size ..... 19

2.1.4. Tax Avoidance ..... 21

2.2. Previous Research ..... 23

2.3. Hypothesis Development ..... 31

2.4. Research Model ..... 33

2.5. Framework of Thinking ..... 35

**CHAPTER III RESEARCH OF METODOLOGY**

3.1. Research Design ..... 36

3.2. Population and Sample ..... 36

3.2.1. Population ..... 36

3.2.1. Sample ..... 37

3.3. Data Collection Method ..... 37

3.4. Operational Variable Definition and Variable Measurement ..... 38

3.5. Data Analysis Method ..... 40

3.5.1. Descriptive Statistics ..... 40

3.5.2. Classical Assumption Test ..... 41

3.5.3. Hypothesis Testing ..... 45

**CHAPTER IV RESEARCH RESULT AND DISCUSSION**

4.1. General View of Infrastructure Companies in Indonesia Stock Exchange . ....48
4.2. Data Analysis ....51
4.2.1. Descriptive Statistics....51
4.2.2. Result of Data Quality Testing ....53
4.2.3. Multiple Linear Regression....62
4.2.4. Hypothesis Testing....63
4.3. Discussion ....66
4.3.1. The Effect of Profitability (X1) on Tax Avoidance (Y) ....66
4.3.2. The Effect of Capital Structure (X2) on Tax Avoidance (Y) ....67
4.3.3. The Effect of Firm Size (X3) on Tax Avoidance (Y)....68
4.3.4. The Effect of Profitability (X1), Capital Structure (X2) and Firm Size (X3) on Tax Avoidance (Y)....69
**CHAPTER V CONCLUSION**
5.1. Conclusion....70
5.2. Recommendation....71
**LIST OF REFERENCES....73**

# LIST OF FIGURES

Figure 1. 1 Infrastructure Realization .....2
Figure 1. 2 Tax Revenue Asia Pasific.....3
Figure 2. 1 Research Model .....34
Figure 2. 2 Framework of Thinking.....35
Figure 4. 1 Outlier Independent X1 .....55
Figure 4. 2 Outlier Independent X2 .....55
Figure 4. 3 Histogram Regression.....56
Figure 4. 4 Normal P-P Plot.....57
Figure 4. 5 Scatterplot Graph.....59

# LIST OF TABLES

Table 1. 1 Tax Collectible .....2
Table 1.2 Profitability, Capital Structure, Firm Size, and Tax Avoidance of Infrastructure Firms Listed on the Indonesia Stock Exchange for the period 2017-2020 .....6
Table 2. 1 Previous Research .....28
Table 3. 1 Dependent and Independent Variable .....40
Table 3. 2 Durbin-Watson Table .....44
Table 4. 1 Sample Research .....49
Table 4. 2 Descriptive Statistics Test .....51
Table 4. 3 Kolmogrov-Smirnov Test .....53
Table 4. 4 Kolomogrov-Smirnov with Outlier .....55
Table 4. 5 Glejser Test .....58
Table 4. 6 Glejser Test with Logaritma .....58
Table 4. 7 Multicollinearity Test .....60
Table 4. 8 Durbin-Watson .....61
Table 4. 9 Durbin-Watson with logaritma .....61
Table 4. 10 Multiple Linear Regression .....62
Table 4. 11 T-Test .....63
Table 4. 12 Fisher Test .....64
Table 4. 13 Coefficient Determination .....65

## LIST OF APPENDICES

APPENDIX A : LIST OF POPULATION AND SAMPLE OF INFRASTRUCTURE FIRMS LISTED ON THE INDONESIA STOCK EXCHANGE FOR YEAR 2017-2020 ..... A-1

APPENDIX B : DATA OF PROFITABILITY ..... B-1

APPENDIX C : DATA OF CAPITAL STRUCTURE ..... C-1

APPENDIX D : DATA OF FIRM SIZE ..... D-1

APPENDIX E : DATA OF TAX AVOIDANCE ..... E-1

APPENDIX F : RESEARCH RESULT ..... F-1

APPENDIX G : OPERATIONAL VARIABLE ..... G-1

APPENDIX H : PREVIOUS RESEARCH ..... H-1