

TABLE OF CONTENTS

	page
COVER PAGE	
TITLE PAGE	
FINAL ASSIGNMENT STATEMENT AND UPLOAD AGREEMENT.....	i
APPROVAL PAGE BY FINAL PAPER ADVISOR	ii
APPROVAL PAGE BY FINAL PAPER DEFENSE COMMITTEE.....	iii
ABSTRACT	iv
ABSTRAK.....	v
PREFACE	vi
TABLE OF CONTENTS.....	viii
LIST OF FIGURES	xii
LIST OF TABLES	xiii
LIST OF APPENDICES.....	xiv
CHAPTER I.....	1
1.1 Background of the Study.....	1
1.2 Problem Limitation	6
1.3 Problem Formulation	6
1.4 Objective of the Research	7
1.5 Benefit of the Research	7
1.5.1 Theoretical Benefit.....	7
1.5.2 Practical Benefit.....	7
CHAPTER II.....	9
2.1 Theoretical Background	9
2.1.1 Agency Theory.....	9

2.1.2	Profitability	11
2.1.2.1	Definition of Profitability.....	11
2.1.2.2	Available Formulas for Profitability	12
2.1.2.3	Indicator of Profitability.....	14
2.1.3	Liquidity.....	14
2.1.3.1	Definition of Liquidity	14
2.1.3.2	Available Formulas for Liquidity.....	16
2.1.3.3	Indicator of Liquidity	17
2.1.4	Firm Size	18
2.1.4.1	Definition of Firm Size	18
2.1.4.2	Indicator of Firm Size	19
2.1.5	Tax Avoidance	19
2.1.5.1	Definition of Tax Avoidance	19
2.1.5.2	Available Formulas for Tax Avoidance.....	20
2.1.5.3	Indicator of Tax Avoidance	21
2.2	Previous Research	23
2.3	Hypothesis Development	24
2.3.1	Profitability towards Tax Avoidance	24
2.3.2	Liquidity towards Tax Avoidance.....	25
2.3.3	Firm Size towards Tax Avoidance	25
2.3.4	Profitability, Liquidity, Firm Size towards Tax Avoidance.....	26
2.4	Research Model.....	26
2.5	Framework of Thinking	27
CHAPTER III.....		29
3.1	Research Design.....	29

3.2 Population and Sample.....	30
3.3 Data Collection Method	36
3.4 Operational Definition and Variable Measurement.....	37
3.4.1 Independent Variable	38
3.4.1.1 Profitability (X ₁)	38
3.4.1.2 Liquidity (X ₂).....	38
3.4.1.3 Firm Size (X ₃)	39
3.4.2 Dependent Variable.....	40
3.4.2.1 Tax Avoidance (Y).....	40
3.5 Data Analysis Method.....	40
3.5.1 Descriptive Statistic	41
3.5.2 Classical Assumption Test	41
3.5.2.1 Normality Test	41
3.5.2.2 Multicollinearity Test.....	43
3.5.2.3 Autocorrelation Test.....	43
3.5.2.4 Heteroscedasticity Test	44
3.5.3 Multiple Linear Regression Analysis.....	45
3.5.4 Hypothesis Analysis.....	46
3.5.4.1 Partial Hypothesis Test (T-Test)	46
3.5.4.2 Simultaneous Hypothesis Test (F Test)	47
3.5.4.3 The Coefficient of Determination (R ² Test).....	48
CHAPTER IV.....	50
4.1 General View of Fast Moving Consumer Goods Sector Companies on the Indonesia Stock Exchange	50
4.2 Research Result.....	63

4.2.1	Descriptive Statistic	63
4.2.2	Result of Data Quality Testing.....	65
4.2.2.1	Normality Test	65
4.2.2.1.1	Outlier Test	68
4.2.2.2	Multicollinearity Test.....	72
4.2.2.3	Heteroscedasticity Test	74
4.2.2.4	Autocorrelation Test.....	75
4.2.3	Multiple Linear Regression Analysis.....	77
4.2.4	Result of Hypothesis Testing	78
4.2.4.1	Partial Hypothesis Testing (T-Test Analysis)	78
4.2.4.2	Simultaneous Hypothesis Testing (F-Test Analysis).....	80
4.2.4.3	The Coefficient of Determination (R^2 Test).....	82
4.3	Discussion	83
4.3.1	The Influence of Profitability on Tax Avoidance	84
4.3.2	The Influence of Liquidity on Tax Avoidance.....	85
4.3.3	The Influence of Firm Size on Tax Avoidance.....	86
4.3.4	The Influence of Profitability, Liquidity and Firm Size on Tax Avoidance	
	88	
CHAPTER V	90
5.1	Conclusion	90
5.2	Recommendation.....	92
REFERENCE	94

LIST OF FIGURES

Figure 2. 1 Research Model	27
Figure 2. 2 Framework of Thinking	28
Figure 4. 1 Normality Test using P-plot.....	67
Figure 4. 2 Normality Test using Histogram	67
Figure 4. 3 Outlier Test on profitability variable using Box Plot Graph	69
Figure 4. 4 Outlier Test on liquidity variable using Box Plot Graph.....	69
Figure 4. 5 Outlier Test on firm size variable using Box Plot Graph	70
Figure 4. 6 Outlier Test on tax avoidance variable using Box Plot Graph	70
Figure 4. 7 Normality Test using P-plot.....	71
Figure 4. 8 Normality Test using Histogram	72
Figure 4. 9 Heteroscedasticity Test using Scatterplot Graph	74

LIST OF TABLES

Table 2. 1 Previous Research	23
Table 3. 1 Determination of Sample	32
Table 3. 2 Samples Scope of Business	33
Table 3. 3 Durbin Watson Test	44
Table 3. 4 Heteroscedasticity Test	45
Table 3. 5 T-Test	47
Table 3. 6 F-Test	47
Table 4. 1 Descriptive Statistic	64
Table 4. 2 Normality Test using Kolmogorov-Smirnov	66
Table 4. 3 Normality Test using Kolmogorov-Smirnov	71
Table 4. 4 Multicollinearity Test using Tolerance and VIF Coefficients ^a	73
Table 4. 5 Multicollinearity Test Using Glejser Test.....	75
Table 4. 6 Autocorrelation Test Using Durbin-Watson Test	76
Table 4. 7 Summary of Classical Assumption Test	76
Table 4. 8 Multiple Linear Regression.....	77
Table 4. 9 T-Test	79
Table 4. 10 F-Test	82
Table 4. 11 Coefficient of Determination	83

LIST OF APPENDICES

APPENDIX A: LIST OF SAMPLES	A-1
APPENDIX B: DATA OF SAMPLE COMPANIES	B-1
APPENDIX C: SPSS OUTPUT	C-1
APPENDIX D: STATISTIC TABLE	D-1

