TABLE OF CONTENTS

COVER PAGE

TITLE PAGE

ABSTRACT ..... **v**

ABSTRAK ..... **vii**

PREFACE ..... **viii**

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

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

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

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

CHAPTER I INTRODUCTION **1**

1.1 Background of the Study 1

1.2 Problem Limitations 8

1.3 Problem Formulation 8

1.4 Objectives of the Research 9

1.5 Benefit of the Research 9

1.5.1 Theoretical Benefit 9

1.5.2 Practical Benefit 10

CHAPTER II LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT. 11

2.1 Theoretical Background 11

2.1.1 Agency Theory 11

2.1.2 Taxation 12

2.1.3 Tax Avoidance 14

2.1.4 Profitability 17

2.1.5 Leverage 20

2.1.6 Liquidity 22
2.2 Previous Research 25
2.3 Hypothesis Development 31
2.3.1 The Influence of Profitability towards Tax Avoidance 31
2.3.2 The Influence of Leverage towards Tax Avoidance 31
2.3.3 The Influence of Liquidity towards Tax Avoidance 32
2.3.4 The Influence of Profitability, Leverage, and Liquidity toward Tax Avoidance 32
2.4 Research Model 33
2.5 Framework of Thinking 34

CHAPTER III RESEARCH METHODOLOGY 35
3.1 Research Design 35
3.2 Population and Sample 35
3.2.1 Population 35
3.2.2 Sample 36
3.3 Data Collection Method 36
3.4 Operational Variable Definition and Variable Measurement 37
3.4.1 Operational Variable Measurement 37
3.5 Data Analysis Method 39
3.5.1 Descriptive Statistics Test 39
3.5.2 Classical Assumption Test 40
3.5.3 Multiple Linear Regression Analysis 43
3.5.4 Hypothesis Test 44
3.5.5 Coefficient of Determination Test (R^2 Test) 45

CHAPTER IV RESEARCH RESULT AND DISCUSSION 47
4.1 General View of Energy Sector Companies in Indonesia Stock Exchange 47
4.2 Research Results 59

4.2.1 Descriptive Statistics 59
4.2.2 Result of Data Quality Testing 61
4.2.3 Result of Hypothesis Testing 71
4.3 Discussion 76
4.3.1 The Influence of Profitability towards Tax Avoidance 76
4.3.2 The Influence of Leverage towards Tax Avoidance 78
4.3.3 The Influence of Liquidity towards Tax Avoidance 79
4.3.4 The Influence of Profitability, Leverage, and Liquidity towards Tax Avoidance 81

CHAPTER V CONCLUSION 82
5.1 Conclusion 82
5.2 Recommendation 83

REFERENCES 85

LIST OF FIGURES

Figure 1.1 Sources of state revenue for the past 5 years 1
Figure 2.1 Research Model.....33
Figure 2.2 Framework of Thinking ..... .34
Figure 4.1 Normality Test using Histogram.....62
Figure 4.2 Normality Test using Probability Plot 63
Figure 4.3 Heteroscedasticity Test using Scatterplot Graph 66

LIST OF TABLES

Table 1.1 The Phenomena of Profitability, Leverage, Liquidity, and Tax Expense of Energy Sector Companies Listed in Indonesia Stock Exchange in period of 2019 – 2022 5
Table 2.1 Tax Avoidance Measurement 15
Table 2.2 Previous Research 29
Table 3.1 Operational Variable Definition and Variable Measurement 38
Table 4.1 Criteria of Samples 48
Table 4.2 List of Energy Sector Companies Listed in Indonesia Stock Exchange as Samples 48
Table 4.3 Descriptive Statistics 59
Table 4.4 Normality Test with One-Sample Kolmogorov Smirnov Test 61
Table 4.5 Multicollinearity Test 64
Table 4.6 Heteroscedasticity Test using Glejser Test 67
Table 4.7 Autocorrelation Test using Durbin-Watson Test 68
Table 4.8 Summary of Classical Assumption Test 69
Table 4.9 Multiple Linear Regression Analysis 70
Table 4.10 Partial Hypothesis Testing (T-Test) 72
Table 4.11 Simultaneous Hypothesis Testing (F-Test) 75
Table 4.12 Coefficient of Determination (Adjusted R^2) 76

LIST OF APPENDICES

APPENDIX A : LIST OF POPULATION AND SAMPLE OF ENERGY COMPANIES LISTED IN INDONESIA STOCK EXCHANGE FOR THE PERIOD 2019 – 2022 ..... A-1

APPENDIX B : CALCULATION OF PROFITABILITY B-1

APPENDIX C : CALCULATION OF LEVERAGE C-1

APPENDIX D : CALCULATION OF LIQUIDITY D-1

APPENDIX E : CALCULATION OF TAX AVOIDANCE E-1

APPENDIX F : SPSS OUTPUT RESULTS F-1

APPENDIX G : t-DISTRIBUTION TABLE G-1

APPENDIX H : F-DISTRIBUTION TABLE H-1

APPENDIX I : DURBIN-WATSON SIGNIFICANCE TABLE I-1