Effect of the Board of Commissioners, Capital Intensity, Profitability, and Audit Committee on Tax Avoidance with Firm Size as a Moderating Variable in Food and Beverage Companies Listed on the IDX

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ABSTRACT

This study aims to determine the effect of the board of commissioners, capital intensity, profitability, and audit committee on tax evasion. In addition, this study aims to determine whether firm size can be used as a moderating variable in the model.

The research design carried out is a causal relationship research with a quantitative approach. The type of data used in this research is secondary data. The technique of determining the sample is using purposive sampling. The samples obtained in this study were 22 manufacturing companies listed on the IDX from 2017 to 2021. The data analysis technique used was panel data regression analysis and interaction (moderating) testing. The results in this study indicate that partially the board of commissioners and capital intensity have a negative and significant effect on tax evasion. Profitability and audit committees have a positive and significant effect on tax avoidance. Meanwhile, firm size cannot moderate the board of commissioners, capital intensity, and audit committee on tax avoidance. Firm size can moderate profitability on tax avoidance in food and beverage companies listed on the Indonesia Stock Exchange.

Key Words: board of commissioners, capital intensity, profitability, firm size, tax avoidance

INTRODUCTION

Taxes have a significant role in the continuity of national development because taxes are one of the biggest state revenue sources. In Indonesia, more than 80% of the state revenue of the Republic of Indonesia comes from taxes that are budgeted and realized in the State Revenue and Expenditure Budget (APBN). Indonesia adheres to a self-assessment system in tax collection. This system provides taxpayers full discretion in calculating, calculating, depositing, and reporting their tax obligations. The self-assessment system is regulated in Article 12 of the Law on General Provisions and Tax Procedures (UU KUP). Implementing the tax laws related to the self-assessment mechanism allows taxpayers, in this case, companies, to reduce the amount of tax that must be paid by reducing company costs, including the tax burden.

The Government of the Republic of Indonesia currently strives to optimize revenue from the taxation sector, given the large role of income from this sector. However, in practice, efforts to maximize revenue from the taxation sector must face several challenges of particular concern to the government. One of the challenges faced is tax avoidance by taxpayers or companies with various efforts to maximize profits by reducing business costs, including the tax burden. Many companies in Indonesia are trying to do everything possible so that the taxes paid are smaller than they should be.

These companies can be either domestic or foreign. According to idxchanel.com, three giant US technology companies, such as Google, Facebook, and Microsoft, practice tax avoidance in developed and developing countries, including Indonesia. Meanwhile, cases of tax evasion in Indonesia involve PT Bentoel Internasional Investama. PT Bentoel Internasional Investama (BAT) is Indonesia's second-largest cigarette company after HM Sampoerna. This subsidiary of BAT in Indonesia conducts tax evasion in two ways: debt interest payments through the company's internal and royalty charges, fees, and IT costs. This evasion is accomplished by diverting transactions through BAT's subsidiaries countries with tax treaties with Indonesia. In addition, there is also PT Adaro Energy, Tbk., which practices tax avoidance. PT Adaro Energy, Tbk allegedly practiced tax avoidance by carrying out transfer pricing to transfer large amounts of profits from Indonesia to companies in countries that can exempt taxes or have low tax rates. This was done from 2009 to 2017.

According to the Tax Justice Network report, due to tax evasion, Indonesia is expected to face losses of US$ 4.86 billion annually, equivalent to IDR 68.7 trillion (the rupiah exchange rate is IDR 14,149 per US dollar). This loss is caused by corporate taxpayers who commit tax evasion in Indonesia. Meanwhile, the rest came from individual taxpayers, with a total of US$ 78.83 million or the equivalent of Rp. 1.1 trillion (www.pajakku.com). Tax avoidance practices carried out by corporate taxpayers (companies) are often carried out through policies adopted by company leaders.

On October 29, 2021, the President of the Republic of Indonesia formalized the Draft Law on Tax Harmonization (RUU HPP) to become Law of the Republic of Indonesia Number 7 of 2021 concerning Harmonization of Tax Regulations (UU HPP), which will take effect immediately after its promulgation. The provisions in the KUP Law, the PPh Law, the VAT Law, the Excise Law, the State Financial Policy Law, and the Job Creation Law are declared to remain in effect if they do not conflict with the HPP Law. Establishing this law is expected to increase sustainable economic growth and support economic recovery, optimize state revenues, realize a more just and legal taxation system, reform administration, consolidate taxation, expand the tax base, and increase voluntary taxpayer compliance. The HPP Law changed and added regulations related to taxation, namely: changing the General Provisions and Tax Procedures Law (UU KUP), changing the Income Tax Law (PPh Law), changing the Goods and Services Value Added Tax Law and Sales Tax on Luxury Goods (VAT Law), regulate voluntary taxpayer disclosure programs, handle carbon taxes, and amend the excise law.

One of the critical points of change is the change in the provisions of Article 3 of the HPP Law, which regulates income tax (PPh), especially changes to the corporate income tax rate (PPh), which is set back to 22 percent starting from the 2022 tax year. Where 2022 tax rate is the income tax rate (PPh) agency was redefined to 22 percent in the HPP Law. This restores the provisions previously imposed in the Income Tax Law for the 2020-2021 period and is planned to be reduced to 20 percent for entry into force starting the 2022 tax year.

From the 2010 tax year to 2019, the provisions regarding the Corporate Income Tax rate applicable in Indonesia refer to Law No. 36 of 2008 concerning Income Tax with a rate of 25%. As is known, the Government of the Republic of Indonesia has reduced the corporate income tax rate for the 2020-2021 tax year to 22% through the stipulation of Law Number 2 of 2020 concerning Stipulation of Government Regulation in Lieu of Law Number 1 of 2020 concerning State Financial Policy and Financial System Stability for Handling the Covid Pandemic 19 and or In the Context of Facing Threats that Endanger the National Economy and or Financial System Stability.

The food and beverage sectors were chosen as the object of research because the stock market for the food and beverage industry attracted quite a lot of interest from investors in the stock market. These sector stocks are the stocks that are the most resistant to monetary or economic crises compared to other sectors because, in any condition or not, some food and beverage products are still needed. The food and beverage industries are projected to be still one of the mainstay sectors supporting manufacturing and national economic growth in 2018 (kemenperin.go.id, November 2017).

Economic growth can increase tax revenues, mainly income taxes on labor, and an increase in salaries and wages will increase consumption. Expenditure on the consumption of goods and services is the object of Value Added Tax. Several factors influence companies to avoid taxes. Omesi et al. (2021) said that board independence, audit quality, and share ownership could affect the level of tax avoidance practices in companies listed on the Nigerian stock exchange. Meanwhile, the size of the board and audit committee is independent of tax avoidance activities. Research by Qingyuan Li et al. (2016), which used a sample of companies in various countries, found that tax avoidance before (after) board reform influenced company value. This will be related to reducing agency conflicts associated with tax evasion. Many previous studies have examined tax evasion in Indonesia and found different results, as in Dwiyanti & Jati's research (2019), which found that profitability, capital intensity, and inventory intensity positively affected tax evasion.

Munawaroh & Sari's research (2019) shows that audit committees and fiscal loss compensation influence tax evasion, while the proportion of institutional ownership and profitability does not affect tax evasion. Pratomo & Rana's research (2021) found that the variable institutional ownership and independent commissioners had a negative effect on tax evasion, while the audit committee did not affect tax evasion based on partial testing. Rima & Destriana's research (2021) found that audit committees, profitability, leverage, and capital intensity influence tax evasion. Meanwhile, the variable proportion of independent commissioners and firm size does not affect tax evasion. Asmi et al. (2021) found that profitability and firm size influence tax evasion. Meanwhile, the leverage and independent commissioner variables do not affect tax evasion. Lusiana & Astusi's research (2020) found that return on assets, independent board of commissioners has a negative effect on tax evasion. Prabowo & Sahlan's research (2021) found that profitability positively affects tax evasion. Leverage has a negative impact on tax avoidance. Capital intensity does not affect tax avoidance.

Based on the inconsistency of previous research, the authors are interested in re-examining how the influence of the board of commissioners, capital intensity, profitability, and audit committee on tax evasion. In addition, whether firm size can moderate the effect of tax avoidance. Firm size was chosen as a moderating variable in this study because firm size is a scale or value that can classify a company into large or small categories in various ways (Dyas et al., 2016). One of them that can be used as a basis for determining the size of a company can be seen in the total assets it owns (Desy & Suryani, 2021). The greater the assets owned, hoped that the company's productivity would increase. Increased productivity will result in greater profits, affecting the amount of tax that must be paid by the company (Ari & Astika, 2019). This enormous profit gain will cause the company's tax obligations to increase, so there is a tendency for companies to practice tax avoidance. In addition, companies that are classified as significant also tend to have good resources to manage their tax burden (N. T. Putra & Jati, 2018).

Based on the description above, the authors are interested in researching tax evasion with the title Influence of the Board of

Commissioners, Capital Intensity, Profitability, and Audit Committee on Tax Avoidance with Firm Size as a Moderating Variable in Food and Beverage Companies listed on the IDX in 2017-2021.

LITERATURE REVIEW
Tax Avoidance
In practice, not all taxpayers comply with their tax obligations. Taxpayer non-compliance can lead to tax evasion efforts. Tax avoidance is a violation of taxation by carrying out a tax avoidance scheme that aims to reduce the tax burden by seeking and exploiting loopholes in tax provisions in a country.

Tax avoidance carried out by a company's management is done to minimize the company's tax obligations. Tax management efforts made by taxpayers to minimize the tax burden can be made through tax avoidance. Taxpayers commit tax evasion by complying with applicable rules which are legal and permitted by tax laws and regulations. The government cannot carry out legal prosecutions, even though this tax avoidance practice will affect state revenues from the tax sector. However, this tax avoidance cannot consistently be implemented in practice because taxpayers cannot always avoid all elements or facts imposed in taxation (Dewi, 2019).

Putranti et al. (2015) suggest that a transaction is indicated as tax avoidance if the implementation includes the following actions:

1. Taxpayers/companies try to pay less or less tax than they should be owed by utilizing the fair interpretation of tax law.
2. Taxpayers seek to postpone tax payments.
3. Taxpayers try to impose a tax not on actual profits earned.

In this study, the measurement of tax avoidance is calculated using Cash ETR or CETR. Cash ETR is the taxes paid divided by the total profit before tax.

Cash ETR is expected to be able to identify corporate tax avoidance by using fixed differences and time differences. In addition, the advantage of CETR is that it can assess tax payments from the cash flow statement to find out how much cash the company issues. CETR is a good indicator used to describe tax avoidance activities by companies because CETR is not affected by changes in estimates such as allowance for assessment or tax protection. In addition, CETR also describes all tax avoidance activities that reduce tax financing to tax authorities (Ritonga, 2018). The formula used is:

CETR = Tax Payment: Earnings Before Tax

If the CETR is getting bigger, the tendency for tax avoidance practices carried out by a company will be getting smaller. The laws and regulations governing corporate income tax have stipulated that the tax rate for companies is 25%, so if the CETR is close to this rate, the level of tax avoidance carried out by companies is low (Pratomo & Rana, 2021). The corporate income tax rate is reduced to 22% for the 2020-2021 tax year.

Board of Commissioners
The Board of Commissioners is a company person whose duty is to carry out general and special supervision under the articles of association and provide advice to the Board of Directors. Independent Commissioners are part of the board of commissioners. Independent commissioners are members of the Board of Commissioners who are not affiliated with the directors, other members of the Board of Commissioners, and controlling shareholders and are free from business relationships or other relationships that may affect their ability to act independently or act solely in the interests of the company (Pratomo & Rana, 2021).

The more the number of independent commissioners, the more the company is expected to reduce tax avoidance because it can supervise and manage every operational and important company decision directly involved in management. Therefore, the board of commissioners is essential in determining tax management. The independent board of commissioners is tasked with maintaining management so that in carrying out its activities, it does not conflict with the law or the rules set (Dewi, 2019). In this study, the board of commissioners is calculated by:

DK = Number of Independent Commissioners: Number of Board of Commissioners

Capital Intensity
Capital intensity is a form of a company's decision to invest its assets in the form of fixed assets. Fixed assets owned by the company allow the company to reduce the tax burden resulting from the depreciation of the company's fixed assets each year. This depreciation expense is a cost that can be deducted from income, so the greater the depreciation expense, the lower the tax rate the company must pay. This means that there is an influence of many fixed assets on tax avoidance by companies. The more fixed assets owned by the company, the more production capacity. Many companies' production capacity shows an increase in revenue, so the tax burden and the tendency for tax avoidance also increase. In addition, the higher the capital intensity, the higher the tax avoidance because the depreciation expense generated by the existence of fixed assets can cause a decrease in company profits (Yohanes, 2022).
Tax avoidance practices will tend to increase when companies have a lot of fixed assets. This is because almost all fixed assets will experience depreciation, and the depreciation expense can be used as a deduction from income in calculating the company's tax burden. The tax burden that the company must pay will be smaller when the depreciation expense owned by the company is greater (Rima & Destiana, 2021). In this study, capital intensity is calculated using the following formula:

Capital Intensity (CI) = Total Fixed Asset: Total Asset

Profitability
Profitability is the ability of a company to generate profits during a specific period at a certain level of sales, assets, and share capital. A company's profitability can be assessed in various ways depending on profits and assets or capital that will be compared with one another. Profitability is considered very important because to sustain the life of a company must be in a favorable condition. Without profits, it is difficult for companies to attract capital from outside. The company will try to increase profits because it is essential for its future. One of the ratios used in calculating the profit or profitability of a company is the return on assets. The ratio of return on assets or Return on Assets is a profitability ratio to assess the percentage of profits obtained by a company related to resources or total assets so that the efficiency of a company in managing its assets can be seen from the percentage of this ratio. The formula used is:

Return on Assets = Net Income: Total Assets

Companies use return on assets to maximize corporate tax planning. The higher the ROA, the higher the profits the company will get. This shows that the better the management of company assets that have high profitability, the more opportunities they will have to position themselves in tax planning, one of which aims to reduce the amount of burden of tax obligations by doing tax evasion. Tax

avoidance practices are carried out so that companies can generate maximum profits. If the company gets high profits, the ROA owned by the company will also be high, so the tax burden that the company gets will be even higher. Therefore, companies will practice tax avoidance to generate maximum profits (Rima & Destriana, 2021).

Audit Committee

According to POJK No. 55/POJK 04/2015, an audit committee is established, appointed, and dismissed by the company's board of commissioners. The number of members must consist of at least three people, consisting of an independent board of commissioners who will also serve as the head of the audit committee. The other two are neutral external parties.

Based on agency theory, the audit committee is an agency formed by the board of commissioners whose job is to control and supervise the process of preparing the company's financial statements to prevent fraud by management. Having an audit committee can assist in carrying out inspections or research on the implementation of the role of the board of directors in managing a listed company professionally and independently. The functioning of the audit committee effectively enables control of the company and better financial reports and supports good corporate governance. The greater the proportion of the audit committee, the more it hinders the company from doing tax evasion (Dewi et al., 2018).

Firm Size

According to Dyas et al. (2016), firm size is a scale or value that can classify a company into large or small categories according to various ways, such as total company assets, stock market value, average level of sales, and several sales. This allows companies to use various existing loopholes to carry out tax avoidance actions from each

transaction. To measure firm size, namely total assets (Satria & Pratomo, 2018).

Firm Size = Ln Total Asset

Large-scale companies tend to be the center of attention for the government and encourage management to be obedient in managing their taxes. Large companies will have more complex transactions and provide opportunities for companies to take advantage of loopholes in these transactions to carry out tax evasion actions. Large-scale companies bear a smaller tax burden. This is because companies have resources that can utilize tax planning according to their wishes to achieve optimal tax savings and maximum company profits (Noviyani & Muid, 2019).
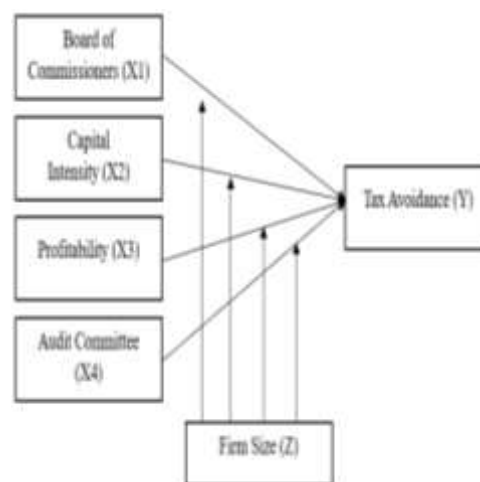
Framework

Figure 1. Framework

H1: The board of commissioners has a positive effect on tax avoidance
H2: Capital intensity has a negative effect on tax avoidance
H3: Profitability has a positive effect on tax avoidance
H4: Audit committee has a positive influence on tax avoidance
H5: Firm size moderates the influence of the board of commissioners on tax avoidance

H6: Firm size moderates the effect of capital intensity on tax avoidance

H7: Firm size moderates the effect of profitability on tax avoidance

H8: Firm size moderates the effect of profitability on tax avoidance

MATERIALS & METHODS

This research is causal research. This design is useful for analyzing the relationship between one variable and another. The variables in this study consist of the dependent variable, namely tax avoidance, and the independent variables, namely the board of commissioners, capital intensity, audit committee, and profitability. As well as the moderating variable is firm size.

According to Sugiyono (2016), the Population is a generalized area consisting of objects/subjects with certain qualities and characteristics determined by researchers to be studied and then conclusions drawn. The population in this study is all food and beverage companies listed on the IDX in 2017 - 2021.

The sample is part of the number and characteristics possessed by the population (Sugiyono, 2017). Sampling used the Purposive Sampling method so that there were several criteria as sampling requirements, namely:

1. Food and beverage companies whose financial statements are complete for 2017 – 2021 and are listed on the Indonesia Stock Exchange.
2. Companies that submit their financial statements from 2017 - 2021 consecutively.
3. Companies with an annual report with a board of commissioners, capital intensity, audit committee, and profitability.

Based on the above criteria, 22 companies meet the criteria. The data in this study is sourced from the official IDX website via www.idx.co.id.

RESULT
Analysis With Panel Data

A. Estimation Model Selection
1. Determination of the Estimation Model between the Common Effect Model (CEM) and the Fixed Effect Model (FEM) with the Chow Test

The Chow test determines whether the CEM or FEM estimation model is used to form a regression model. The hypothesis tested is as follows.

H0: The CEM model is better than the FEM model.

H1: The FEM model is better than the CEM model

The following results are based on the Chow test using E-Views 10, namely:

Table 1. Results of the Chow Test

Redundant Fixed Effects Tests
Pool: DPANEL
Test cross-section fixed effects

Effects Test	Statistic	d.f.	Prob.
Cross-section F	0.573571	(21,84)	0.9255
Cross-section Chi-square	14.739987	21	**0.8358**

Source: Processed with EViews-10

Rules for making decisions on the hypothesis are as follows.

 a. If the Chi-square cross-section probability value < 0.05, then H_0 is rejected and H_1 is accepted.
 b. If the Chi-square cross-section probability value ≥ 0.05, then H_0 is accepted and H_1 is rejected.

Based on the results of the Chow test in Table 1, it is known that the probability value is 0.8358. Because the probability value is 0.8358 > 0.05, the estimation model used is the common effect model (CEM).

2. Determination of the Estimated Model between the Fixed Effect Model (FEM) and the Random Effect Model (REM) with the Hausman Test

The Hausman test determines whether the estimation model is FEM or REM in forming the regression model. The following results are based on the Hausman Test using EViews 10.

Table 2. Hausman Test Results

Cross-section fixed (dummy variables)

R-squared	0.289705	Mean dependent var	2.151140
Adjusted R-squared	0.078308	S.D. dependent var	4.162889
S.E. of regression	3.996574	Akaike info criterion	5.811816
Sum squared resid	1341.699	Schwarz criterion	6.450111
Log likelihood	-293.6499	Hannan-Quinn criter.	6.070712
F-statistic	1.370428	Durbin-Watson stat	2.640558
Prob(F-statistic)	0.145045		

Source: Processed with EViews-10

Based on the results of the Hausman Test in Table 2, it is known that the probability value is 0.145045. Because the probability value is 0.145045 > 0.05, the Random Effect Model (REM) is the estimation model used.

3. Determination of the Estimation Model between the Common Effect Model (CEM) and the Random Effect Model (REM) with the Lagrange-Multiplier Test

The Lagrange-Multiplier test determines whether the CEM or REM estimation model is used to form a regression model. The following results are based on the Lagrange-Multiplier test using EViews 10.

Table 3. Lagrange-Multiplier Test Result

Breusch-Godfrey Serial Correlation LM Test:

F-statistic	1.683353	Prob. F (2,103)	0.1908
Obs*R-squared	3.481708	**Prob. Chi-Square (2)**	**0.1754**

Source: Processed with EViews-10

Based on the results of the Lagrange-Multiplier test in Table 3, it is known that the probability value is 0.1754. Because the probability value is 0.1754 > 0.05, the estimation model used is the common effect model (FEM).

B. Regression Analysis with Panel Data

Table 4. The statistical value of the Coefficient of Determination, F Test, and t-Test Autocorrelation Test Result

Variable	Coefficient	Std. Error	t-Statistic	Prob.
X1?	-9.931222	4.175573	-2.378409	0.0192
X2?	-4.508115	1.990991	-2.264257	0.0256
X3?	1.966265	0.638045	3.081706	0.0026
X4?	2.999070	2.926333	1.024856	0.3078
C	-1.465388	9.368397	-0.156418	0.8760
R-squared	**0.187854**	Mean dependent var		2.151140
Adjusted R-squared	0.156915	S.D. dependent var		4.162889
S.E. of regression	3.822351	Akaike info criterion		5.563997
Sum squared resid	1534.089	Schwarz criterion		5.686747
Log likelihood	-301.0199	Hannan-Quinn criter.		5.613785
F-statistic	6.071766	Durbin-Watson stat		2.322043
Prob(F-statistic)	**0.000196**			

Source: Processed with EViews-10

Based on Table 4, the panel data regression equation is obtained as follows.

$$Y = -1.465388 - 9.931222X1 - 4.508115X2 + 1.966265X3 + 2.999070X4 + e$$

Based on the equation above, it can be concluded:

1. Independent Commissioner (X1) has a negative effect on tax evasion (Y), with a regression coefficient value of -9.931222, and significant, with a Prob value. = 0.0192 < 0.05.
2. Capital Intensity (X2) has a negative effect on tax evasion (Y), with a regression coefficient value of -4.508115, and significant, with a Prob value. = 0.0256 < 0.05.
3. Return On Assets (X3) positively affects tax evasion (Y), with a regression coefficient value of 1.966265, and significant, with a Prob value. = 0.0026 < 0.05.
4. The Audit Committee (X4) positively affects tax avoidance (Y), with a regression coefficient value of 2.999070, but not significant, with a Prob value. = 0.3078 > 0.05.

C. Classic Assumption Test
1) Normality Test

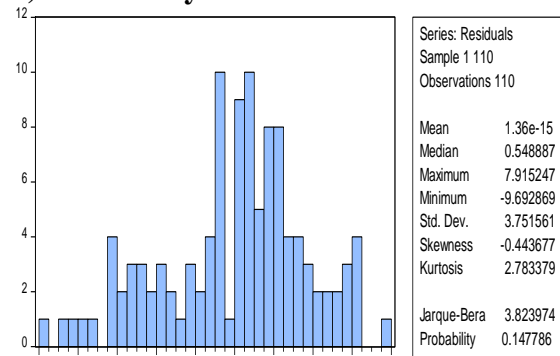| Series: Residuals	
Sample 1 110	
Observations 110	
Mean	1.36e-15
Median	0.548887
Maximum	7.915247
Minimum	-9.692869
Std. Dev.	3.751561
Skewness	-0.443677
Kurtosis	2.783379
Jarque-Bera	3.823974
Probability	0.147786

Figure 2. Normality Test with Jarque-Bera Test
Source: Processed with EViews-10

Based on the picture above, it is known that the probability value of the J-B statistic is 0.147786. Because the probability value of p, which is 0.147786, is greater than the significance level, which is 0.05. This means that the normality assumption is met.

2) Autocorrelation Test

The assumption regarding the independence of the residuals (non-autocorrelation) can be tested using the Durbin-Watson test Statistical values of the Durbin-Watson test range between 0 and 4. Statistical values of the Durbin-Watson test that are less than one or greater than 3 indicate autocorrelation.

Table 5. Autocorrelation Test with Durbin-Watson

Log likelihood	-301.0199	Hannan-Quinn criter.	5.613785
F-statistic	6.071766	Durbin-Watson stat	2.299598

Source: Processed with EViews-10

Based on Table 5, the value of the Durbin-Watson statistic is 2.299598. Note that because the value of the Durbin-Watson statistic lies between 1 and 3, namely $1 < 2.299598 < 3$, the non-autocorrelation assumption is met. In other words, there is no high autocorrelation in the residuals.

3) Heteroscedasticity Test

To test whether there is heteroscedasticity or not, the Breusch-Pagan test is used, which is presented in the following table.

Table 6. Heteroscedasticity Test Results

Heteroskedasticity Test: Breusch-Pagan-Godfrey

F-statistic	2.129715	Prob. F (4,105)	0.0822
Obs*R-squared	8.254791	Prob. Chi-Square (4)	0.0827

Source: Processed with EViews-10

Based on the results of the Breusch-Pagan test in Table 6, it is known that the Prob. Chi-Square $0.0827 > 0.05$, which means there is no heteroscedasticity.

4) Multicollinearity Test

In this study, multicollinearity symptoms can be seen from the VIF value. Ghozali (2013) states that if the VIF value is > 10, this is an indication of multicollinearity. The results of the multicollinearity test are presented in Table 7.

Table 7. Multicollinearity Test Result

Independent Variable	VIF
X1	1.05181
X2	1.04509
X3	1.14905
X4	1.150926

Source: Processed with EViews-10

Based on Table 9 of the results of the multicollinearity test, it can be concluded that there are no symptoms of multicollinearity between the independent variables. This is because the VIF value <10 (Ghozali, 2013).

D. Hypothesis Test Results
Simultaneous Effect Significance Test (Test F)

The F test aims to examine the effect of the independent variables jointly or simultaneously on the dependent variables. Based on Table 4, it is known that the Prob. (F-statistics), namely $0.000196 < 0.05$, it can be concluded that all independent variables, namely Independent Commissioner (X1), Capital Intensity (X2), Return on Assets (X3), and Audit Committee (X4) simultaneously, have a significant effect on the CETR variable (Y).

Analysis of the Coefficient of Determination

Based on Table 4, it is known that the coefficient of determination (R-squared) is $R^2 = 0.1878$. This value can be interpreted as Independent Commissioner (X1), Capital Intensity (X2), Return On Assets (X3), Audit Committee (X4) simultaneously or jointly influencing CETR (Y) of 18.78%, the remaining 81.22 % influenced by other factors.

Moderation Testing

Furthermore, moderation testing is carried out, namely, whether the capital structure significantly moderates the relationship between firm size, profit growth,

profitability, and firm value. Table 8 presents the results of the moderation test.

Table 8. Moderation Testing Result

Variable	Coefficient	Std. Error	t-Statistic	Prob.
X1	1.190338	19.46734	0.061145	0.9514
X2	-9.508857	10.23929	-0.928663	0.3553
X3	-30.53316	12.61020	-2.421307	0.0173
X4	4240.108	1776.511	2.386761	0.0189
Z	882.1394	369.7032	2.386075	0.0189
X1Z	-0.314636	0.746639	-0.421402	**0.6744**
X2Z	0.232015	0.411787	0.563435	**0.5744**
X3Z	1.568911	0.611088	2.567407	**0.0117**
X4Z	-294.1002	123.2048	-2.387084	**0.0189**
C	-12710.52	5332.299	-2.383685	0.0190

Source: Processed with EViews-10

Based on Table 8, the following moderation equation is obtained.

$$Y = -12710.52 + 1.190338X1 - 9.508857X2 - 30.53316X3 + 4240.108X4 + 882.1394Z - 0.314636X1Z + 0.232015X2Z + 1.568911X3Z - 294.1002X4Z + e$$

Based on Table 8, it is known:
1. Firm size (Z) is not significant as a moderator of the relationship between Independent Commissioners (X1) on tax avoidance (Y), with a Prob value = $0.6744 > 0.05$.
2. Firm size (Z) is not significant as a moderator of the relationship between Capital Intensity (X2) to tax avoidance (Y), with a Prob value = $0.5744 > 0.05$.
3. Firm size (Z) is significant as a moderator of the relationship between Return On Assets (X3) to tax avoidance (Y), with a Prob value = $0.0117 < 0.05$.
4. Firm size (Z) is significant as a moderator of the relationship between the Audit Committee (X4) and tax avoidance (Y), with a Prob value = $0.0189 < 0.05$.

CONCLUSION
Based on the research results, it can be concluded that:
1. Independent commissioners (X1) negatively and significantly affect tax evasion in food and beverage companies listed on the Indonesia Stock Exchange in 2017-2021. This means that the small number of independent commissioners cannot reduce tax avoidance and even tends to increase companies taking tax avoidance. A smaller number of commissioners can increase tax avoidance in a company because it will make supervision of company management less. In addition, an independent commissioner will have a particular focus on supervising.
2. Capital Intensity (X2) negatively and significantly affects tax avoidance in food and beverage companies listed on the Indonesia Stock Exchange in 2017-2021. This shows that increasing capital in the form of fixed assets owned by companies will directly increase depreciation expense, affecting a decrease in profit before tax is reported. From the results of the study, it can be concluded that the addition of capital intensity (composition of fixed assets to total assets) carried out by food and beverage sector companies listed on the IDX from 2017-2021 will directly increase depreciation expenses and result in decreased company profits which in turn eventually resulting in a decrease in CETR which is an indication of increased tax avoidance by companies.
3. Profitability (X3) positively and significantly affects tax avoidance in food and beverage companies listed on the Indonesia Stock Exchange in 2017-2021. This shows that the utilization of company assets has been optimized, resulting in greater profits generated by food and beverage companies for 2017-2021. The increase in profit is reflected in the increase in the resulting CETR, which will also be greater, so that it will cause tax avoidance to decrease.
4. The Audit Committee (X4) has a positive but insignificant effect on tax avoidance in food and beverage companies listed on the Indonesia

Stock Exchange in 2017- 2021. This shows that a company's audit committee in the food and beverage sector is unable to influence significantly in optimizing authority and using its monitoring role to maintain transparency and accountability in the company's financial reports. The regression coefficient shows that the more or less the number of audit committees owned by a company cannot affect the tax avoidance actions taken by company management.

5. Firm size (Z) is insignificant as a moderator of the relationship between Independent Commissioners (X1) on tax evasion in food and beverage companies listed on the Indonesia Stock Exchange in 2017-2021. The size of the company cannot strengthen the level of influence of the independent board of commissioners on tax avoidance. Many or few independent commissioners do not guarantee that a company does not do tax evasion.

6. Firm size (Z) is insignificant as a moderator of the relationship between Capital Intensity (X2) and tax avoidance in food and beverage companies listed on the Indonesia Stock Exchange in 2017-2021. This shows that the firm's size cannot strengthen the relationship between capital intensity and tax avoidance. Whether or not the intensity of capital in the form of fixed assets owned by large and small companies cannot influence management to avoid taxes. The company's management continues to evade taxes while it can still be carried out and has the opportunity if supervision is not carried out.

7. Firm size (Z) is significant as a moderator of the relationship between Profitability (X3) and tax avoidance in food and beverage companies listed on the Indonesia Stock Exchange in 2017-2021. Large companies will attract government attention and be taxed per applicable regulations. This can be seen from the profit generated, especially in companies with an "open" label. The profits generated will also be visible to everyone, including tax payments made by a company. The greater the profit generated, the greater the tax will be paid.

8. Firm size (Z) is significant as a moderator of the relationship between the Audit Committee (X4) and tax evasion in food and beverage companies listed on the Indonesia Stock Exchange in 2017- 2021. The firm's size can strengthen the audit committee's role against tax avoidance. The number of audit committees in a company is at most three people, which will be very influential in large and small companies. The larger the firm's size, will make the audit committee works extra to supervise each division. This is because the larger the firm's size, the more complex the company's operations and the more stakeholders, especially regulators or the government, which increases the need for the audit committee's role.

SUGGESTION
Based on the conclusions above, the suggestions and input that can be given for further research are:

1. The following research is expected to examine the influence of other variables, such as leverage, liquidity, operating cash flow, dividend policy, investment decisions, and so on, which can affect tax avoidance.

2. Based on the results of the research conducted, it was found that firm size cannot be used as a moderating variable in influencing independent commissioners and capital intensity. However, it can moderate profitability and audit committees on tax evasion. Based on this, it is hoped that further research will be able to re-examine firm size either as an independent variable or as a

moderating variable.

3. Using populations and samples outside the food and beverage sector companies and using the most recent observation period considering that in 2021 the Indonesian government enacted Law Number 7 of 2021 concerning Harmonization of Tax Laws, which offers many conveniences and tax incentives in the hope of increasing voluntary compliance taxpayer.

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