The Effect of Leverage, Capital Intensity, Company Size, and Independent Commissioners on Tax Aggressiveness of Property and Real Estate Company Listed on Indonesia Stock Exchange (IDX) for the Period 2016 – 2020

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ABSTRACT: This study aims to determine and analyse the effect of Leverage, Capital Intensity, Company Size, and Independent Commissioners on the Tax Aggressiveness of Property and Real Estate Companies listed on the Indonesia Stock Exchange (IDX) for the period 2016 – 2020. Using quantitative methods with associative relationships. The population in this study are Property and Real Estate Companies listed on the Indonesia Stock Exchange, with a sample of 17 companies. Sampling was done by using purposive sampling method. Data analysis technique used multiple linear regression. The results of the research shows that Leverage has an effect on Tax Aggressiveness. Meanwhile, Capital Intensity, Company Size, and Independent Commissioner have no effect on Tax Aggressiveness. This can be interpreted that the level of Leverage can affect Tax Aggressiveness of Property and Real Estate Companies.

KEYWORDS: Leverage, Capital Intensity, Company Size, Independent Commissioner, Tax Aggressiveness.

INTRODUCTION

Taxes are dues that must be paid by the citizens to the state. Tax revenue that obtained by the state intends to meet various needs and interests in the state, such as providing public facilities, and so on. This shows that Taxes can provide benefits for the citizens, although with indirectly result.

The headway of Property and Real Estate business is supported by public interest and need of property. So many offices building, housing, and so on makes this sector an opportunity to earn large income. This thing, of course, also has an impact on company's tax expense, so that Property and Real Estate sector has potential large tax revenue. Based on Undang – undang KUP Nomor 28 Tahun 2007 Pasal 1 Ayat 1, Taxes have binding and coercive characteristic. Therefore, in general, taxpayers – in this case corporate's tax payers – will try to reduce the company's tax expense, which known as Tax Aggressiveness.

Tax Aggressiveness is an act of avoiding taxes carried out with the aim of reducing tax expense that must be paid. On the property sector, Tax Aggressiveness case occurred in 2013. It started from SIM simulator case, which later found the purchase of luxury house worth IDR 7,1 billion but on the notarial deed was reported only IDR 940 million. There was potential tax revenue that are not deposited into state treasury, including IDR 610 million of Value Added Tax (VAT) and IDR 300 million of Final Income Tax *(Merdeka.com, 2013).* Another case also occurred in 2020, which involved the real estate sales in Green Ar – Rayah, Gayungan, Surabaya by PT JSI with Sertifikat Hak Milik (SHM) in personal's name, which supposed to be in company's name. From this case, PT JSI is suspected of trying to avoid paying several taxes and levies, one of it is Bea Perolehan Hak atas Tanah dan Bangunan (BPHTB) *(Radar Surabaya.ID, 2020).*

Another phenomenon regarding Tax Aggressiveness also explained by Tax Justice Network. On its report – The State of Tax Justice 2020 – it stated that tax revenue that cannot be collected due to tax avoidance practices in Indonesia was estimated about IDR 69,1 trillion, equivalent to 4,39% from total tax revenue in Indonesia *(DDTC News, 2020).* This also received a serious response from Direktorat Jenderal Pajak, that they would continue to monitor transactions involving special relationship.

Tax Aggressiveness can be influenced by various factors. Several factors that considered to impact Tax Aggressiveness are Leverage, Capital Intensity, Company Size, and Independent Commissioner. Leverage is company's ability to measure how much company's assets are financed by debt. Leverage is considered capable to influence Tax Aggressiveness since the debt will cause debt interest expense. In tax regulations, interest expense can be deducted from taxable profit (deductible expense), so that the tax expense will be lower. Fadli (2016), in his research about Tax Aggressiveness of Manufacturing Sector shows that Leverage has positive effect on Tax Aggressiveness. The higher level of Leverage, the greater Tax Aggressiveness. The same result also

presented by Audina (2020) in her research about Tax Aggressiveness of Property and Real Estate sector, shows that Leverage has an effect on Tax Aggressiveness.

Capital Intensity is the amount of capital used by company in operational activities to generate income for company. Capital Intensity is generally associated with the use of fixed assets. Capital Intensity is considered to affect Tax Aggressiveness due to depreciation expense from fixed assets. In tax regulations, depreciation expense can be deducted from taxable profit (deductible expense). This thing has an impact on reducing company's tax expense. Yuliana and Wahjudi (2018), who had research about Tax Aggressiveness on Manufacturing sector shows that Capital Intensity has a positive effect on Tax Aggressiveness. The higher level of Capital Intensity, the higher level of Tax Aggressiveness. The same result also presented by Dwiyanti and Jati (2019) on their research on Manufacturing sector, shows that Capital Intensity has an effect on Tax Aggressiveness.

Company Size is a scale that identifies the size of an entity. Large – scale companies are considered to have good tax planning, making it possible to reduce company's tax expense, in order to obtain maximum profit. This thing leads to Tax Aggressiveness. Saidah's research (2018) on Manufacturing sector shows that Company Size has significant positive effect on Tax Aggressiveness. It can be interpreted that the larger the size of company, the greater the level of Tax Aggressiveness. The same result also presented by Luke and Zulaikha (2016) on Manufacturing sector, shows that Company Size has an effect on Tax Aggressiveness.

Independent Commissioner is members of Board of Commissioners who comes from the external side and have no affiliation with the company. In the company, Independent Commissioner has a function to supervising the company's management. Supervision from Independent Commissioner is considered to suppress Tax Aggressiveness. Novitasari's research (2017) on Property and Real Estate sector shows that Independent Commissioner has an effect on Tax Aggressiveness. The larger the proportion of Independent Commissioner, the lower the level of Tax Aggressiveness. The same result also presented by Latifah (2018) on Manufacturing sector shows that Independent Commissioner has an effect on Tax Aggressiveness.

This study is aim to researching and analysing the effect of Leverage, Capital Intensity, Company Size, and Independent Commissioner on Tax Aggressiveness. Therefore, the problem proposed on this study are (1) Does Leverage has an effect on Tax Aggressiveness of Property and Real Estate companies? (2) Does Capital Intensity has an effect on Tax Aggressiveness of Property and Real Estate companies? (3) Does Company Size has an effect on Tax Aggressiveness of Property and Real Estate companies? (4) Does Independent Commissioner has an effect on Tax Aggressiveness of Property and Real Estate companies?

REVIEW OF LITERATURE

Agency Theory

Agency theory explain the relationship between principal dan agent. In this relation, Principal gives authority to Agent to take action or decision that expected to prioritize principal's interest *(Pearce & Robinson, 2013)*. However, there will be possibility that the interest between principal and agent are not in line. This creates conflict of interest *(Jensen & Meckling, 1976)*. In the taxation, conflict of interest may occur between Fiscus and Company's Management. Differences in interest occur when the tax authorities or government as principal intends to gain maximize tax revenue, while the company as agent intends to pay minimum tax to the state *(Hardika, 2007)*.

Tax Aggressiveness

Frank, et al (2008) defines Tax Aggressiveness as an action of tax planning that aims to reduce taxable income, both legally (Tax Avoidance) or illegally (Tax Evasion). The company who takes advantage of Tax Law's loopholes to avoid taxes is considered to be Tax Aggressiveness *(Gemilang, 2017)*. Tax Aggressiveness has several instruments to measure how far Tax Aggressiveness done by the company. Hanlon and Heitzman (2010) mention several instruments, such as GAAP Effective Tax Rate (ETR), Current Effective Tax Rate (CuETR), Cash Effective Tax Rate (CETR), Long – run Cash Effective Tax Rate, Discretionary Permanent (DTAX), Tax Shelter Activity, Total Book Tax Differences, Unrecognize Tax Benefit, Marginal Tax Rate, Effective Tax Rate Differential, Temporary Book Tax Differences, and Abnormal Total Book Tax Differences. Most of all previous researches are use ETR to measure Tax Aggressiveness, since ETR is considered to be able to show differences between commercial profit and fiscal profit *(Frank, Lynch, & Rego, 2008)*.

Leverage

According to Kasmir (2015) Leverage is a ratio that used to determine and assess how much company's assets funded by debt. The greater the level of Leverage, then it shows that company use a lot of sources of funds originating from debt to finance company's assets. The use of debt will cause interest expense on debt. So that the greater the company's debt, the greater the interest expense on debt. Leverage can be measured by some instruments. According to Hayat, et al (2018), there are 6 (six) Leverage's ratio, that is Debt to Asset Ratio (DAR), Debt to Equity Ratio (DER), Long – term Debt to Capital Structure, Times Interest Earned, Coverage of Fixed Asset Charges, and Current Liabilities to Equity.

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Capital Intensity

Kuriah and Asyik (2016) defines Capital Intensity as the amount of capital used by the company to generate income. Novitasari (2017) defines Capital Intensity as company's investment activities related to fixed assets. The ownership of fixed assets aims to fulfil the company's operational activities in order to generate income. The greater the Capital Intensity, it indicates that the company's fixed assets are also in large amount. The use of fixed assets will cause depreciation expense. So that when company uses fixed assets in large amount, the depreciation expense is also getting bigger. Capital Intensity can be measured by an instrument, the Fixed Assets Intensity Ratio. Fixed Assets Intensity Ratio is a ratio used to measure how much proportion of fixed assets in overall company's assets *(Gemilang, 2017)*.

Company Size

Brigham and Houston (2010) define company size as a value that shows the scale of company, in terms of total assets, sales volume, profit level, tax expense, and so on. According to Sudarmadji and Sularto (2007), the indicator of Company Size can be seen from total assets, sales, and market capitalization. The greater the assets controlled by company, the greater the capital invested. The higher the sales, the higher the velocity of money in company. The greater the market capitalization, the more recognized the company is. Lanis and Richardson (2007) gives statement that large – scale company is considered to have good tax planning. Therefore, there is a possibility that the company will do Tax Aggressiveness. Commonly, Company Size is measured by Ln (Total Asset) or Ln (Total Sales) *(Riadi, 2020)*.

Independent Commissioner

According to Peraturan Otoritas Jasa Keuangan Nomor 33/POJK.04/2014 tentang Direksi dan Dewan Komisaris Emiten atau Perusahaan Publik, Independent Commissioner is member of Board of Commissioners who comes from the external side and have no affiliation with the company, and fulfil the requirements of Independent Commissioner as referred to Peraturan Otoritas Jasa Keuangan. The proportion of Independent Commissioner in Board of Commissioner is at least 30% of total members. Independent Commissioner carries out supervisory function of company's performance *(Ardi & Kristanto, 2015)*. With this supervision, it is expected that Tax Aggressiveness can be suppressed. To measure the proportion of Independent Commissioner, it used ratio, which is dividing total Independent Commissioner by total Board of Commissioner *(Novitasari, 2017)*.

The Effect of Leverage on Tax Aggressiveness

Leverage is ratio that measure how much company's debt uses in financing its assets. When company uses debt, there will be debt interest expense that is borne by company. In Undang – undang Nomor 36 Tahun 2008 Pasal 6 ayat 1(a), one of the component's expenses that can be charged in calculation of taxable profit is interest expense. *According to Kuriah and Asyik (2016), a company that has high level of leverage can take advantage of large debt interest expense as a form of tax incentive. This can reduce taxable profit, so that the tax expense become lower, which indicate Tax Aggressiveness.*

The Effect of Capital Intensity on Tax Aggressiveness

Capital Intensity is the level of capital used by the company for operational activities with the aim of generating income. That capital can be in the form of fixed assets. The used of fixed assets will cause depreciation expense. Undang – undang Nomor 36 Tahun 2008 Pasal 6 ayat 1(b) mengenai Pajak Penghasilan mention that depreciation expense can be charged to taxable profit. This thing will reduce taxable profit. *High Capital Intensity indicates that company uses large amount of fixed assets. According to Rodriguez and Arias (2012), the more fixed assets that company has, the greater the depreciation expense will be. This depreciation expense can be used by the company to reduce its tax expense. This thing leads to the action of Tax Aggressiveness.*

The Effect of Company Size on Tax Aggressiveness

Company Size is a measure that shows whether company is large or small in terms of total assets, sales volume, and the level of profit. The larger the assets owned; it indicates the company has a larger size. Likewise, the sales volume and the level of profit that company has earned. *According to Lanis and Richardson (2007), large – scale company is considered to have good tax planning. This thing will enable company to do Tax Aggressiveness. Saidah (2018) states that the larger the Company Size, the higher the Tax Aggressiveness.*

The Effect of Independent Commissioner on Tax Aggressiveness

Independent Commissioner is member of Board of Commissioner who comes from the external side and have no affiliation with the company, shareholders controller, member of Board of Director, or other member of Board of Commissioner. The Independent Commissioner also does not have any relationship with the company that can affect his independency as an Independent Commissioner. In the company, Independent Commissioner performs the function of supervising the performance of management. *The presence of Independent Commissioner in the company is expected to be able to oversee the actions and decisions made by company's management, especially on avoiding taxes, so that Tax Aggressiveness can be suppressed (Novitasari, 2017).*
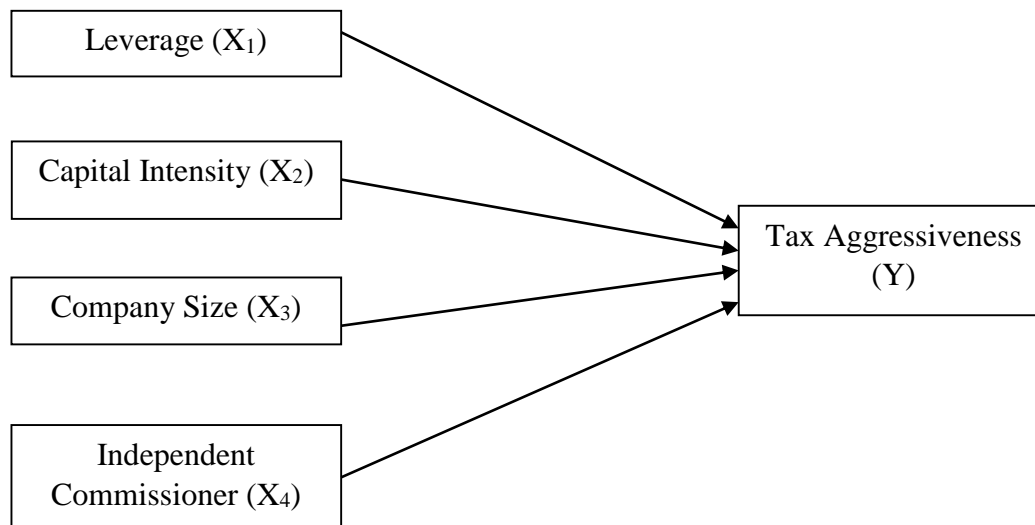
CONCEPTUAL FRAMEWORK AND HYPOTHESIS

Conceptual Framework

This research model is based on various studies that have been conducted previously, including:

1. The Effect of Leverage on Tax Aggressiveness (research by Fadli, 2016; Nafis, Manik, and Fatahurrazak, 2018; and Audina, 2020).
2. The Effect of Capital Intensity on Tax Aggressiveness (research by Yuliana and Wahjudi, 2018; Latifah, 2018; and Dwiyanti and Jati, 2019).
3. The Effect of Company Size on Tax Aggressiveness (research by Kuriah and Asyik, 2016; Luke and Zulaikha, 2016; and Saidah, 2018).
4. The Effect of Independent Commissioner on Tax Aggressiveness (research by Fadli, 2016; Novitasari, 2017; and Latifah 2018).

Based on previous research about Tax Aggressiveness, the conceptual framework on this research is as follows.

Figure 1. Conceptual Framework
Sources: Fadli (2016), Latifah (2018), Saidah (2018), Novitasari (2017), etc.

Hypothesis

Based on the description and conceptual framework that has been presented, the hypotheses in this study are:

H_1: Leverage has an effect on Tax Aggressiveness.
H_2: Capital Intensity has an effect on Tax Aggressiveness.
H_3: Company Size has an effect on Tax Aggressiveness.
H_4: Independent Commissioner has an effect on Tax Aggressiveness.

METHODOLOGY

This type of research is Quantitative Associative Research. Associative Research aims to find out and understand the influence of relationship that occurs between 2 (two) or more variable *(Sugiyono, 2013)*. Quantitative Approach aims to examine certain population and sample, with statistical data analysis in order to test hypothesis *(Sugiyono, 2013)*. The population in this study is Property and Real Estate Companies listed on Indonesia Stock Exchange (IDX) for period 2016 – 2020. From that population, the sample was drawn using purposive sampling method, sampling method by applying several criteria to the sample *(Ikhsan, et al., 2018)*. Sample criteria in this research are (1) Property and Real Estate companies listed on Indonesia Stock Exchange (IDX) for period 2016 – 2020; (2) Property and Real Estate companies which is not new listing on the period 2016 – 2020; (3) Property and Real Estate companies which is reports annual report on regular basis for period 2016 – 2020; (4) Property and Real Estate companies which is gets profit on the period 2016 – 2020. Analysis of the data in this study using Multiple Linear Regression Analysis Technique. Multiple Linear Regression Analysis an analytical technique that aims to determine the effect of 2 (two) or more independent variables on dependent variable *(Ikhsan, et al., 2018)*.

In this research, independent variables are consisted of Leverage (X_1), Capital Intensity (X_2), Company Size (X_3), and Independent Commissioner (X_4). While dependent variable is Tax Aggressiveness (Y). The operational definition of each variable is as follows.

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Table 1. Variable Operational Definition

No.	Variable	Indicator	Formula	Source
1	Leverage (X_1)	Debt to Asset Ratio (DAR)	$\dfrac{\text{Total Debt}}{\text{Total Asset}}$	Ikhsan, et al (2018), p. 102.
2	Capital Intensity (X_2)	Fixed Assets Intensity	$\dfrac{\text{Total Net Fixed Asset}}{\text{Total Asset}}$	Siregar & Widyawati (2016), p. 9.
3	Company Size (X_3)	Total Asset	Ln (Total Asset)	Lanis & Richardson (2012), p. 96.
4	Independent Commissioner (X_4)	Proportion of Independent Commissioner	$\dfrac{\text{Total Independent Commissioner}}{\text{Total Board of Commissioner}}$	Novitasari (2017), p. 1909.
5	Tax Aggressiveness (Y)	Effective Tax Rate (ETR)	$\dfrac{\text{Tax Expense}}{\text{Profit Before Tax}}$	Hanlon & Heitzman (2010), p. 32.

RESULT AND ANALYSIS

The population in this research are Property and Real Estate listed on Indonesia Stock Exchange (IDX). From that population the sample was drawn using purposive sampling method. Based on several criteria applied in the sampling process, it is found that 17 Property and Real Estate companies meet the sampling criteria.

Descriptive Statistical Analysis

Table 2. The Result of Descriptive Statistical Analysis

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
LEVERAGE	85	,0400	,7600	,395882	,1763337
INTENSITAS MODAL	85	,0000	,6500	,090235	,1260667
UKURAN PERUSAHAAN	85	27,3900	31,7400	29,846235	1,1009336
KOMISARIS INDEPENDEN	85	,2400	,6700	,405294	,0921772
AGRESIVITAS PAJAK	85	,0500	,7600	,218706	,1385537
Valid N (listwise)	85				

In this Descriptive Statistics table, it can be seen the minimum, maximum, mean, and standard deviation of each variable. Total of research data is 85 data (N = 85). Leverage is interpreted to DAR (X_1), Capital Intensity is interpreted to IAT (X_2), Company Size is interpreted to SIZE (X_3), Independent Commissioner is interpreted to KOM (X_4), and Tax Aggressiveness is interpreted to ETR (Y).

Based on Normality Test conducted, it is known that the data are not normally distributed. Therefore, researcher did transform data using Semi – Log method. So that the result of descriptive statistical analysis after data transformation are as follows.

Table 3. The Result of Descriptive Statistical Analysis after Transform Data

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
LEVERAGE	85	,0400	,7600	,395882	,1763337
INTENSITAS MODAL	85	,0000	,6500	,090235	,1260667
UKURAN PERUSAHAAN	85	27,3900	31,7400	29,846235	1,1009336
KOMISARIS INDEPENDEN	85	,2400	,6700	,405294	,0921772
TRANS_ETR	85	-3,00	-,27	-1,6916	,58067
Valid N (listwise)	85				

Normality Test

Table 4. The Result of Normality Test (Kolmogorov – Smirnov)

One-Sample Kolmogorov-Smirnov Test		Unstandardized Residual
N		85
Normal Parameters[a,b]	Mean	,0000000
	Std. Deviation	,49672931
Most Extreme Differences	Absolute	,064
	Positive	,064
	Negative	-,042
Test Statistic		,064
Asymp. Sig. (2-tailed)		,200[c,d]

a. Test distribution is Normal.
b. Calculated from data.
c. Lilliefors Significance Correction.
d. This is a lower bound of the true significance.

Normality Test in this research using Kolmogorov – Smirnov. The research data are normally distributed if the Asymp. Significant is more than 0,05 (>0,05) *(Maulana, 2020)*. Based on The Result of Normality Test Table, it is known that Asymp. Significant is 0,200. This indicates that the research data are normally distributed.

Autocorrelation Test

Table 5. The Result of Autocorrelation Test (Durbin – Watson)

Model Summary[b]					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,518[a]	,268	,232	,50900	,946

a. Predictors: (Constant), INTENSITAS MODAL, LEVERAGE, UKURAN PERUSAHAAN, KOMISARIS INDEPENDEN
b. Dependent Variable: TRANS_ETR

Autocorrelation Test in this study is using Durbin – Watson. A good regression model is a regression model that is free from autocorrelation symptoms. Therefore, the criteria of non – autocorrelation is if Durbin – Watson (DW) value is more than equal to -2 and less than equal to 2 ($-2 \leq DW \leq 2$) *(Bahri, 2018)*. Based on the DW value on the table, which is 0,946, it can be conclude that the research data are free from autocorrelation.

Multicollinearity Test

Table 6. The Result of Multicollinearity Test (Tolerance dan VIF)

Coefficients[a]								
		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
Model		B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	-1,749	1,578		-1,108	,271		
	LEVERAGE	1,707	,396	,518	4,309	,000	,633	1,581
	UKURAN PERUSAHAAN	-,021	,055	-,040	-,388	,699	,844	1,185
	KOMISARIS INDEPENDEN	-,103	,767	-,016	-,134	,894	,617	1,622
	INTENSITAS MODAL	,661	,464	,144	1,426	,158	,902	1,108

a. Dependent Variable: TRANS_ETR

Multicollinearity test in this study is using Tolerance and VIF value. A regression model is said to be free from multicollinearity if Tolerance value are more than 0,1 and VIF value is less than 10 *(Fadli, 2016)*. Based on the table output of multicollinearity test, it can be seen that Tolerance value of each independent variable are more than 0,1 and VIF value of each independent variable is less than 10. It means that research data are free from multicollinearity.

Heteroscedasticity Test
Table 7. The Result of Heteroscedasticity Test (Glejser Test)

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	1,106	,900		1,228	,223
	LEVERAGE	,376	,226	,230	1,666	,100
	INTENSITAS MODAL	-,058	,264	-,025	-,218	,828
	UKURAN PERUSAHAAN	-,022	,031	-,082	-,690	,492
	KOMISARIS INDEPENDEN	-,499	,438	-,159	-1,139	,258

a. Dependent Variable: ABS_RES1

Heteroscedasticity test in this study is using Glejser Test. A good regression model is a regression model that is free from heteroscedasticity. In the Glejser test, non – heteroscedasticity is indicated by significant value which is more than 0,05 (>0,05) *(Yuliana & Wahjudi, 2018)*. Based on the result of heteroscedasticity table above, it is known that significant value of each independent variable is more than 0,05. It means that research data are free from heteroscedasticity.

Multiple Linear Regression Analysis
Table 8. The Result of Multiple Linear Regression Analysis

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.	Collinearity Statistics Tolerance	Collinearity Statistics VIF
1	(Constant)	-1,749	1,578		-1,108	,271		
	LEVERAGE	1,707	,396	,518	4,309	,000	,633	1,581
	UKURAN PERUSAHAAN	-,021	,055	-,040	-,388	,699	,844	1,185
	KOMISARIS INDEPENDEN	-,103	,767	-,016	-,134	,894	,617	1,622
	INTENSITAS MODAL	,661	,464	,144	1,426	,158	,902	1,108

a. Dependent Variable: TRANS_ETR

Based on the table of the result of multiple linear regression analysis, can be made a regression equation as follows:
ETR = -1,749 + 1,707DAR + 0,661IAT – 0,021SIZE – 0,103KOM + ε

Coefficient of Determination Test
Table 9. The Result of Coefficient of Determination Test

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,518[a]	,268	,232	,50900	,946

a. Predictors: (Constant), INTENSITAS MODAL, LEVERAGE, UKURAN PERUSAHAAN, KOMISARIS INDEPENDEN
b. Dependent Variable: TRANS_ETR

Based on that table, Adjusted R^2 value is 0,232 or 23,2%. It shows that the ability of independent variable to explaining dependent variable is 23,2%. The remaining about 76,8% is explained by other factors which is not examined in this study. It shows that the ability of independent variable to explaining dependent variable is limited.

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Discussion of Research Results

Table 10. The Result of t – Statistical Test

Coefficients[a]								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	-1,749	1,578		-1,108	,271		
	LEVERAGE	1,707	,396	,518	4,309	,000	,633	1,581
	UKURAN PERUSAHAAN	-,021	,055	-,040	-,388	,699	,844	1,185
	KOMISARIS INDEPENDEN	-,103	,767	-,016	-,134	,894	,617	1,622
	INTENSITAS MODAL	,661	,464	,144	1,426	,158	,902	1,108
a. Dependent Variable: TRANS_ETR								

The t – Statistical Test aims to see the effect of one independent variable on dependent variable *(Ikhsan, et al., 2018)*. The independent variable is said to have an effect on dependent variable if the significance value is less than 0,05 (<0,05) *(Halim, 2020)*. Based on the output table above, the following is a description of discussion of the result.

THE EFFECT OF LEVERAGE ON TAX AGGRESSIVENESS

Leverage which is represented by DAR has a significance value for 0,000. This is less than 0,05 (0,000<0,05). It means that Leverage which is proxied by Debt to Asset Ratio (DAR) has an effect on Tax Aggressiveness, and first hypothesis is accepted. This result shows that the level of company's Leverage can affect the ETR's value of company. It caused by interest expense on debt which can be deducted from tax expense, so that it is able to have an impact on Tax Aggressiveness.

The regression coefficient value of Leverage is 1,707. This positive number indicates a positive relationship between DAR's value and ETR's value. So that a company that has a greater DAR's value, then the ETR's value tend to be greater. This is because the higher the DAR's value, the greater the risk of default by the company, because it is feared that company will not be able to cover its debts with its assets *(Kasmir, 2015)*. According to Dharma & Ardiana (2016), the companies that have high level of Leverage will show better company's performance, compared to companies that do not have debt *(Gunawan, Meutia, & Yusnaini, 2018)*. The company will do efforts to show a good profit to creditors, so that the creditors still willing to provide loans for the company in the future *(Gunawan, Meutia, & Yusnaini, 2018)*. The large amount of profit will affect to greater tax expense, so that the ETR's value will also be greater.

THE EFFECT OF CAPITAL INTENSITY ON TAX AGGRESSIVENESS

Capital Intensity which is represented by IAT has a significance value for 0,158. This value is more than 0,05 (0,158>0,05). It means that Capital Intensity which is proxied by Fixed Assets Intensity Ratio has not an effect on Tax Aggressiveness, and second hypothesis in this study is rejected. This result shows that the amount of Capital Intensity owned by company cannot affect the ETR's value. This can be caused by the depreciation method applied by the company. Property and Real Estate companies apply straight line method of depreciation, which is the same method as applied to fiscal calculation. So that there is no big difference in the depreciation expense both commercially and fiscally *(Fatimah, Anwar, Nordiansyah, & Tambun, 2017)*. This is cause Capital Intensity has no effect on Tax Aggressiveness.

THE EFFECT OF COMPANY SIZE ON TAX AGGRESSIVENESS

Company Size which is represented by SIZE has a significance value for 0,699. This value is more than 0,05 (0,699>0,05). It means that Company Size which is proxied by Ln (Total Assets) has not an effect on Tax Aggressiveness, and third hypothesis in this study is rejected. This result shows that the Tax Aggressiveness actions taken by Property and Real Estate companies do not depend on the size of the company. This is because taxes are a must for taxpayers – in this case corporate's tax payers – whether large or small company *(Yauris & Agoes, 2019)*. Taxes are a burden for company, so large or small company will still be taxed.

The Effect Of Independent Commissioner On Tax Aggressiveness

Independent Commissioner which is represented by KOM has a significance value for 0,894. This value is more than 0,05 (0,894>0,05). It means that Independent Commissioner has not an effect on Tax Aggressiveness, and fourth hypothesis in this study is rejected. Based on this result, it is known that Tax Aggressiveness actions taken by Property and Real Estate companies do not influence by Independent Commissioner. The supervision from Independent Commissioner in the company has not been able to influence Tax Aggressiveness. This is occurred because of there are some of Independent Commissioner who does not has an economic education background. There is a possibility that Independent Commissioner does not understand the Tax Aggressiveness action by company's management.

CONCLUSION AND RECOMMENDATION

Conclusion

Based on the research result and discussion description, there are some conclusions as follows.

1. Leverage has an effect on Tax Aggressiveness of Property and Real Estate listed on Indonesia Stock Exchange (IDX) for the period 2016 – 2020. The level of Leverage can affect ETR's value, which is affect Tax Aggressiveness.

2. Capital Intensity has not an effect on Tax Aggressiveness of Property and Real Estate listed on Indonesia Stock Exchange (IDX) for the period 2016 – 2020. The level of Capital Intensity cannot affect ETR's value.

3. Company Size has not an effect on Tax Aggressiveness of Property and Real Estate listed on Indonesia Stock Exchange (IDX) for the period 2016 – 2020. Tax Aggressiveness action taken by company's management is not influenced by the size of company.

4. Independent Commissioner has not an effect on Tax Aggressiveness of Property and Real Estate listed on Indonesia Stock Exchange (IDX) for the period 2016 – 2020. The proportion of Independent Commissioner in a Board of Commissioner does not affect the level of Tax Aggressiveness.

RECOMMENDATION

1. For further research to be able to use other independent variables to examine its effect on Tax Aggressiveness. The next researcher can use Profitability variable, because there is a tendency for management efforts to increase company's profitability, one of which is by reducing tax expense, that leads to Tax Aggressiveness. Further researcher also can use Executive Compensation variable, because executive who can do efficiency in paying taxes will get an appreciation by giving compensation by the company.

2. For further research to be able to use other measurement proxies in measuring research variables. Further researcher can use Debt to Asset Equity (DER) to measure Leverage, or Book Tax Difference to measure Tax Aggressiveness.

3. For further research to be able to increase research period with the latest year, so that the result of the research can show the updating of the data.

4. For practitioners, in this case Direktorat Jenderal Pajak, to be able to continue supervision of public companies, to being concern about several factors which is can affect Tax Aggressiveness.

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