

ABSTRACT

This study aims to analyze the effect of financial distress, corporate social responsibility (CSR), and earnings management on tax avoidance, with good corporate governance (GCG) as a moderating variable, in palm oil companies listed on the Indonesia Stock Exchange for the period 2019–2023. Employing a quantitative method with an explanatory approach, the study observes 12 palm oil companies, yielding 60 firm-year observations. Data were analyzed using panel data regression with the Common Effect Model, based on the results of the Chow test, Hausman test, and Lagrange Multiplier test. The findings reveal that: (1) Financial distress does not have a significant effect on tax avoidance, although the negative coefficient aligns with theoretical expectations, indicating that financial difficulties do not directly drive tax avoidance practices; (2) Corporate social responsibility does not significantly affect tax avoidance, despite the negative relationship supporting the theory that socially responsible companies tend to be more compliant with taxation; (3) Earnings management does not significantly influence tax avoidance, suggesting that in the Indonesian palm oil industry, earnings management is not a reliable predictor of tax avoidance—likely due to the different expertise and infrastructure required for each practice; (4) GCG positively moderates the relationship between financial distress and tax avoidance, indicating that governance mechanisms are effective in financial crisis situations.; (5) GCG positively moderates the relationship between CSR and tax avoidance, revealing a paradox in which high CSR combined with strong governance may actually encourage tax avoidance, possibly due to moral licensing based on the company's positive reputation; (6) GCG does not moderate the relationship between earnings management and tax avoidance, implying that sophisticated earnings management practices are difficult to control through conventional governance mechanisms. This study highlights that the relationship between corporate governance factors and tax avoidance is not always linear, and that the interaction effects among governance mechanisms may produce outcomes that differ from, or even contradict, theoretical expectations.

Keywords: *tax avoidance, financial distress, corporate social responsibility, earning management, good corporate governance*

ABSTRAK

Penelitian ini bertujuan untuk menganalisis pengaruh financial distress, corporate social responsibility (CSR), dan earning management terhadap tax avoidance dengan good corporate governance (GCG) sebagai variabel moderasi pada perusahaan industri kelapa sawit yang terdaftar di Bursa Efek Indonesia periode 2019-2023. Penelitian menggunakan metode kuantitatif dengan pendekatan eksplanatori terhadap 12 perusahaan kelapa sawit, menghasilkan 60 observasi firm-year. Data dianalisis menggunakan regresi panel data dengan Common Effect Model berdasarkan hasil uji Chow, Uji Hausman dan uji Lagrange Multiplier. Hasil penelitian menunjukkan bahwa: (1) Financial distress tidak berpengaruh signifikan terhadap tax avoidance, meskipun menunjukkan arah hubungan negatif yang sesuai dengan ekspektasi teoretis, mengindikasikan kondisi kesulitan keuangan tidak secara langsung mendorong praktik penghindaran pajak; (2) Corporate social responsibility tidak berpengaruh signifikan terhadap tax avoidance, walaupun arah hubungan negatif mendukung teori bahwa perusahaan dengan tanggung jawab sosial tinggi cenderung lebih patuh dalam perpajakan; (3) Earning management tidak berpengaruh signifikan terhadap tax avoidance, mengindikasikan bahwa dalam industri kelapa sawit Indonesia, praktik earning management tidak dapat digunakan sebagai indikator untuk memprediksi tax avoidance, kemungkinan karena kedua praktik ini memerlukan keahlian dan infrastruktur yang berbeda; (4) GCG memoderasi positif hubungan financial distress-tax avoidance, mengindikasikan mekanisme governance efektif dalam situasi krisis keuangan; (5) GCG memoderasi positif hubungan CSR-tax avoidance, menunjukkan paradoks dimana kombinasi CSR dan GCG tinggi justru dapat meningkatkan praktik tax avoidance, kemungkinan karena perusahaan merasa memiliki lisensi moral berdasarkan reputasi baik yang dibangun; (6) GCG tidak memoderasi hubungan earning management-tax avoidance, mengindikasikan praktik earning management yang sophisticated sulit dikendalikan melalui mekanisme governance konvensional. Penelitian ini menunjukkan bahwa hubungan antara faktor-faktor tata kelola perusahaan dengan praktik tax avoidance tidak selalu bersifat linier, dimana efek interaksi antar mekanisme tata kelola dapat menghasilkan outcome yang berbeda bahkan berlawanan dengan ekspektasi teoretis.

Kata Kunci: *tax avoidance, financial distress, corporate social responsibility, earning management, good corporate governance*