

The Effect Of Good Corporate Governance On Tax Avoidance In Mining Corporate Listed On The Idx For The Period 2013-2017

Rina Tresnawati¹, Nisa Putri Indriani²

¹Department of Accounting, Widyatama University, Bandung, Indonesia

²Department of Accounting, Widyatama University, Bandung, Indonesia

¹rina.tresnawati@widyatama.ac.id

Article History: Received: 11 January 2021; Revised: 12 February 2021; Accepted: 27 March 2021; Published online: 10 May 2021

Abstract: This study aims to examine the effect of Good Corporate Governance on Tax Avoidance. The population in this study are all Mining companies listed on the Indonesia Stock Exchange in the period 2013-2017. The population in this study consisted of 39 mining companies. The research method used in this research is explanatory research. The sampling technique in this study used stratified random sampling and obtained 11 companies. The model in this study is path analysis using eviews 10. The results of this test indicate that the proxy for Good Corporate Governance, namely Institutional Ownership, Independent Board of Commissioners, Audit Committee and Audit Quality Significantly influence Tax Avoidance on Mining companies listed on the Indonesia Stock Exchange 2013-2017 period. The amount of influence significantly revealed Good Corporate Governance in this study amounted to 74.6%.

Keywords: Audit Committee, Good Corporate Government, Independent Board of Commissioners, Institutional Ownership, Tax Avoidance.

1. Introduction

The development of the government in Indonesia requires great power in carrying out development within the country to improve the national economy. One of the biggest sources of state revenue is through the tax sector (Mulyani et al, 2018). Taxes are mandatory contributions to the state owed by individuals or entities as taxpayers with no direct, coercive reciprocity and their collection is carried out under the Act.

Tax is a biggest source on a state income when compared to other sources of income in Indonesia (Arianandini and Ramantha, 2018). According to data from www.kemenkeu.go.id. The State Revenue and Expenditure Budget (APBN) in 2017 at the state revenue of Rp. 1,750.3 trillion. Some of it came from taxation revenues of Rp. 1,498.9 trillion.

According to the Secretary General of the Indonesian Forum for Budget Transparency, Yenny Sucipto, stated that data on tax avoidance and tax evasion were difficult to access by the public. In Indonesia tax avoidance is a serious problem. It is suspected that each year there is Rp 110 trillion, which is a tax avoidance figure. Business entities engaged in the mining sector are the sectors that avoid tax around 80 percent, the rest are individual taxpayers (www.suara.com).

According to the Coordinator of the Natural Resources (SDA) Directorate of Research and Development of the Corruption Eradication Commission Dian Patria, companies operating in the field of mining on average avoid taxes or collect taxes. From the data of 11,000 mining permits, there are 4000 non-clean and clear permits, overlapping permits and most of them do not pay taxes (www.klinikpajak.co.id).

The implementation of Corporate Governance aims to minimize agency conflict. Agency conflict arises when the goals to be achieved by company managers are not in a line with the interests of shareholders. Shareholders expect maximum income (dividends) for the funds they invest. The management is more concerned with the company's operational activities by not distributing dividends and allocating them as retained earnings. The alignment of the relationship between shareholders and company managers will affect the taxation policies to be used (Darmawan and Sukarta, 2014).

2. Review of literature

Tax Avoidance

Understanding tax avoidance according to Chairil Anwar Pohan (2013: 23) is as follows:

"Tax avoidance is a tax avoidance strategy and technique carried out legally and safely for taxpayers because it does not conflict with taxation provisions. The method and technique used is to exploit the weaknesses contained in the laws and tax regulations themselves, to minimize the amount of tax owed".

Good Corporate Governance

According to Sutedi (2012: 1), good corporate governance is:

"A process and structure used by company organs (Shareholders / Capital Owners, Commissioners / Board of Trustees, and Directors) to improve business success and corporate accountability in order to continue to pay attention to the interests of other stakeholders, based on legislation and ethical values." (Hussain et al., 2020)

3. Research methods

Object of the research to be examined in this case is the financial statements, corporate listed on the IDX for period 2013-2017, with indicators such as Institutional Ownership, Audit Quality, Audit Committee, Board of Commissioners using the proxy for disclosure of good corporate governance.

The population on this study in the form of the whole mining corporate listed on the IDX 2013-2017 observation period of 39 mining corporate. The number of samples in this study were 19 corporate. Engineering The analysis used in this research is panel data model test, classic assumption test, analysis panel data regression, and hypothesis testing.

Statistik Deskriptif

	X1	X2	X3	X4	Y
Mean	3.48418	0.36982	0.79545	0.72727	0.44273
Median	3.16000	0.33000	0.75000	1.00000	0.410000
Maximum	5.79000	0.67000	1.00000	1.00000	1.060000
Minimum	1.03000	0.25000	0.50000	0.00000	0.070000

Based on the table above, the institutional ownership variable (X1) obtained a mean result of 3.48 with the maximum value for institutional ownership obtained a result of 5.79 in MEDC coded companies in the period of 2015, while for the minimum value on institutional ownership obtained results of 1.03 for ITMG-coded companies in the 2016 period.

In the independent commissioner variable variable (X2) the mean result is 0.37, for the maximum value on the independent board of commissioners is 0.67 for the TOBA-coded company in the period 2013-2017, while for the minimum value on the independent board of commissioners the results obtained amounted to 0.25 in the ESSA coded company in the period 2013-2016 and in the KKG I coded company in 2013.

The audit committee variable (X3) obtained a mean result of 0.79, for the maximum value on the audit committee obtained a result of 1.00 in ITMG coded companies in the period 2013-2017 and ELSA coded companies in 2013-2015, while for the value of minimum on the board of independent commissioners obtained a result of 0.50 for companies coded INCO in the period of 2014.

In the audit quality variable (X4) obtained a mean result of 0.73 with, for the maximum value on the audit quality obtained results of 1.00 in the company coded ELSA, ESSA, MEDC, INCO, ITMG, MYOH, PTBA, TOBA in the period of 2013 -2017, while for the minimum value on audit quality, the results obtained were 0.00 for companies coded as RUIS, CTTH, KKG I in the 2013-2017 period.

In the tax avoidance variable (Y), a mean result of 0.44 is obtained, for a maximum CETR value indicating low tax avoidance, a result of 1.06 is obtained for CTTH coded companies in the 2013 period, while for a minimum CETR value indicating a high tax avoidance is obtained a result of 0.07 for MEDC coded companies in 2016.

4. Result

1. From the results of hypothesis testing, it is found that partially the institutional ownership variable has a negative and significant effect on a tax avoidance.

2. From the results of research and hypothesis testing, it is found that the independent commissioner has a negative and significant effect on corporate tax avoidance.
3. The audit committee has a significant influence on tax avoidance. But the effect is a negative.
4. Audit quality has a significant effect on a tax avoidance. However, the effect of audit quality on tax avoidance is a negative.
5. From the results of calculations and research, it is found that simultaneously GCG has a significant effect on tax avoidance.

Reference

1. Annisa, Nuralifmida Ayu dan Kurniasih, Lulus. 2012. *Pengaruh Good Corporate Governance Terhadap Tax Avoidance*, *Jurnal Akuntansi & Auditing*, Vol 8 No 2 Hal 95- 189.
2. Bursa Efek Indonesia. Dikutip dari: <https://www.idx.co.id>. Diakses pada 18 Maret 2019.
3. Daniri, Mas Achmad. 2014. *Lead By GCG*. Jakarta: Gagas Bisnis Indonesia.
4. Darmawan, I Gede Hendy dan Sukartha, I Made. 2014. *Pengaruh Penerapan Corporate Governance, Leverage, Return On Asset, dan Ukuran Perusahaan Pada Penghindaran Pajak*, *Jurnal Akuntansi Universitas Udayana* Vol 9 No 1 Hal 143-161.
5. Dewinta, Ida Ayu Rosa dan Putu Ery Setiawan. 2016. *Pengaruh Ukuran Perusahaan, Umur Perusahaan, Profitabilitas, Leverage, dan Pertumbuhan Penjualan Terhadap Tax Avoidance*. *E-Jurnal Akuntansi Universitas Udayana*, Vol 14, No.3.
6. Diantari, Putu Rista dan Ulupui, IGK Agung. 2016. *Pengaruh Komite Audit, Proporsi Komisaris Independen, dan Proporsi Kepemilikan Institusional Terhadap Tax Avoidance*. *E-journal Akuntansi Universitas Udayana*. Vol. 16.1 Juli (2016): 702-732. ISSN: 2302-8556.
7. Ghozali, Imam. 2013. *Analisis Multivariat dan Ekonometrika dengan Program Eviews 9*. Semarang: Badan Penerbit Universitas Diponegoro.
8. Ghozali, Imam dan Ratmono, Dwi, 2017. *Analisis Multivariat dan Ekonometrika: Teori, Konsep, dan Aplikasi dengan EViews 8*. Semarang: ISBN, UNDIP.
9. Gujarati, Damodar N. 2003. *Basic Econometrics, Fourth Edition*. New York : McGraw-Hill.
10. Hamdani. 2016. *Good Corporate Governance, Tinjauan Etika dalam Praktik Bisnis*. Mitra Wacana Media: Jakarta.
11. Hanlon, M. & Heitzman, S. (2010). *A Review of tax research*. *Journal of accounting and Economics* 50, 127-128
12. Hendriana, Indra. 2017. *Perusahaan Tambang yang mengemplang pajak*. Dikutip dari: <http://www.klinikpajak.co.id/berita/detail/?kategori=semua+kategori&id=berita+pajak+kpk%3A+perusahaan+tambang+banyak+mengemplang+pajak>. Diakses pada 27 januari 2019.
13. Hussain, H.I., Kamarudin, F., Mohamad Anwar, N.A., Nassir, A.M., Sufian, F., Mang Tan, K. (2020), Impact of Country's Governance Dimensions on Bank Revenue Efficiency: Overview on Middle East, Southeast Asia, and South Asia Countries, *Transformations in Business & Economics*, 19 (1), 191-228.
14. IDN Financials. Dikutip dari: <https://www.idnfinancials.com> diakses pada 27 Maret 2019.
15. Ilyas, Wirawan dan Diaz Priantara. 2013. *Manajemen dan Perencanaan Pajak Berbasis Risiko*. Jakarta : IN MEDIA.
16. Kementerian Keuangan Republik Indonesia. 2017. *Anggaran Pendapatan dan Belanja Negara Tahun 2017*. Dikutip dari: <https://www.kemenkeu.go.id/apbn2017>. Diakses pada tanggal 12 Januari 2019.
17. Supriyatna, Iwan. 2017. *Menteri Susi ungkap modus penghindaran pajak perusahaan perikanan*. Dikutip dari: <https://money.kompas.com/read/2017/03/14/140044626/menteri.susi.ungkap.modus.penghindaran.pajak.perusahaan.perikanan>. Diakses pada tanggal 2 februari 2019
18. Mardiasmo. 2016. *Perpajakan Edisi Terbaru*. Yogyakarta : Penerbit Andi.
19. Mulyani, Sri., Wijayanti, Anita dan Masitoh. 2018. *Pengaruh Good Corporate Governance Terhadap Tax Avoidance*, *Jurnal Riset Akuntansi & Bisnis Airlangga*, Vol 3 No 1 Hal 322-340.
20. Murni, Yetty., Sudarmaji, Eka., Sugihyanti, Eneng. 2016. *The Role of Institutional Ownerships, Board of Independent Commissioner and Leverage: Corporate Tax Avoidance in Indonesia*. *Journal Of Business Management Universitas Pancasila*. Vol 18.11. e- ISSN: 2278-48X, p-ISSN : 2319- 7668.
21. Nuryaman, dan Veronica Christina. 2015. *Metodologi Penelitian Akuntansi dan Bisnis: Teori dan Praktik*. Cetakan Pertama. Bogor: Ghalia Indonesia.
22. Peraturan Menteri Negara BUMN No. 01/MBU/2011. 2011. *Penerapan tata kelola perusahaan yang baik (Good corporate governance) pada badan milik hasil usaha*. Dikutip dari: <http://www.jdih.bumn.go.id>. Diakses pada tanggal 18 Maret 2019.

23. Peraturan Otoritas Jasa Keuangan(OJK) nomor 33/PJOK.04/2014. 2014. *Direksi dan Dewan Komisaris Emiten atau Perusahaan Publik*. Dikutip dari <http://www.ojk.go.id>. Diakses pada tanggal 5 Februari 2019.
24. Peraturan Otoritas Jasa Keuangan (OJK) nomor 55/PJOK.04/2015. 2015 *Pembentukan dan pedoman pelaksanaan kerja Komite Audit*.. Dikutip dari <http://www.ojk.go.id>. Diakses pada tanggal 5 Februari 2019.
25. Pohan, Chairil Anwar 2013. *Manajemen Perpajakan Strategi Perencanaan Pajak dan Bisnis*. Jakarta : PT Gramedia Pustaka Utama
26. Puspita, Ratih, Silvia dan Harto, Puji. 2014. *Pengaruh Tata Kelola Perusahaan Terhadap Penghindaran Pajak*. *Jurnal Akuntansi Universitas Diponegoro*. Vol 3. No 2. ISSN: 2337-3806.
27. Rachmawati, Ayu., Endang Wi M.G dan Agusti Rahma Rosalia. 2016. *Pengungkapan Corporate Responbility dan Corpotate Governance terhadap Tax Avoidance*. *Jurnal Universitas Brawijaya*. Vol 10 No 1.
28. Rahayu, Kurnia. 2016. *Perpajakan Indonesia*. Bandung: Graha Ilmu.
29. Sari, Diana. 2013. *Konsep Dasar Perpajakan*. Bandung: PT Refika Adimata.
30. Sari, Meila dan Devi, Heidy Paramitha. 2018. *Pengaruh Corporate Governance dan Profitabilitas Terhadap Tax Avoidance*, *Jurnal Akuntansi UNIPMA* Vol 2 No 2.
31. Sukrisno, Agoes. 2011. *Auditing (Pemeriksaan Akuntan)* oleh Kantor Akuntan Publik Edisi 4. Penerbit Salemba Empat.
32. Sukrisno, Agoes dan I Cenik Ardana. 2014. *Etika Bisnis dan Profesi*. Jakarta: Salemba Empat.
33. Supriyatna. Iwan. 2017. *Mentri Susi ungkap modus penghindaran pajak perusahaan perikanan*. Dikutip dari: <https://money.kompas.com/read/2017/03/14/140044626/menteri.susi.ungkap.modus.penghindaran.pajak.perusahaan.perikanan>. Diakses pada tanggal 2 Februari 2019
34. Sekaran, Uma. 2014. *Research Methods For Business*. Jakarta: Salemba Empat.
35. Sekaran, Uma dan Roger Bougie. 2017. *Research Methods For Business*. Jakarta: Wiley.
36. Sutedi, Adrian. 2011. *Good Corporate Governance*. Jakarta: Penerbit Sinar Grafika.
37. Himawan, Adhitya. 2017. *Setiap tahun penghindaran pajak mencapai 110 triliun*. Dikutip dari: <https://www.suara.com/bisnis/2017/11/30/190456/fitra-setiap-tahun-penghindaran-pajak-capai-rp110-triliun>. Diakses pada 2 Februari 2019.
38. Widarjono, Agus. 2017. *Ekonomika*. Yogyakarta: UPP STIM YKPN
39. Winata, Feny. 2014. *Pengaruh Corporate Governance Terhadap Tax Avoidance*, *Jurnal Tax & Accounting Review* Vol 4 No 1.