**ABSTRACT**

Vincentius Kevin Triyuwono / 37150399 / 2019 / The Effect of Leverage, Independent Commisioner, and Firm Size on Tax Aggresiveness in Manufacturing Companies Listed in Indonesia Stock Exchange in the Period of 2016-2018 / Advisor: Amelia Sandra, S.E., M.Si.Ak, M.Ak.

Taxes in Indonesia are the largest source of state revenue. The company is one of the tax subjects that gives the biggest contribution in state tax revenue. Taxes for companies are an expense that reduces company profits, while taxes for the state are income that will be used to fund government operations. The difference in interests is what causes companies to be aggressive towards taxes. Tax aggressiveness is an action taken by a company with the aim to reduce or even eliminate the company's tax expense in a manner that is classified as legal or illegal. The purpose of conducting this research is to measure whether tax aggressiveness can be influenced by leverage, independent commissioners, and firm size.

The theory in this study uses agency theory. Agency theory implies a relationship between agents and principals who have different interests. Independent Commissioners are members of the board of commissioners who come from outside the issuer or public company and meet the requirements. Leverage is the use of assets and sources of funds by companies that have fixed costs with a view to increasing potential shareholder returns. Firm size is a scale that is classified into large or small companies according to various ways, including total assets, market capitalization, sales and others. There are three hypotheses in this study, namely independent commissioners have negative effect on tax aggressiveness, leverage has positive effect on tax aggressiveness, firm size has positive effect on tax aggressiveness.

The population in this study are all manufacturing companies listed on the Indonesia Stock Exchange for the period of 2016-2018. The sampling technique used is the Non-Probability Sampling technique and using purposive sampling method. The analytical methods used are data pooling test, descriptive statistical test, classic assumption test, multiple linear regression analysis, and hypothesis testing. The number of manufacturing companies sampled in this study was 42 samples for 3 years of observation.

The results of descriptive statistical analysis show that in the 2016-2018 period, companies on average took tax avoidance measures of 18.45%. The results of this study indicate the variable leverage, sig. t is 0.0005 and the beta coefficient is negative. Then for the independent commissioner variable with sig. t is 0.2375 and the beta coefficient is positive. And for firm size variable the value of sig. t is 0.26 and the beta coefficient is negative.

The conclusion from this study shows that leverage has a positive effect on tax aggressiveness. Independent Commissioners have no effect on tax aggressiveness. And the firm size has no effect on tax aggressiveness.

Key Words: Tax Aggressiveness, Leverage, Independent Commissioner, Company Size