# ABSTRACT

*Yensi / 36150088 / 2019 / The Effect of Managerial Ownership, Audit Committee, and Financial Derivatives on Effective Tax Rate in Manufacturing Companies Listed in Indonesian Stock Exchange in the Period of 2015-2017 / Amelia Sandra, S.E., AK., M.Si., M. Ak.*

*Tax in a company gives quite significant attention, since for a company tax is seen as a burden that can reduce the number of net profit to be accepted by the company so the company will strive any efforts to pay the tax in lower cost. Meanwhile, the government considers the tax as a quite important state income so that government will draw tax as high as possible.*

*There are various policies taken by a company to reduce the number of tax burden to be paid including selection of accounting method so that it can decrease the number of effective burden. To determine how company effectiveness in managing tax payment, then it is necessary for a calculation or measurement. Measurement of effective tax planning can be done by using effective tax rate. Differences in effective tax rates between companies can be caused by several different factors. Therefore, this study aims to investigate several factors that influence effective tax rate.*

*The research samples are manufacturing companies which is listed on Indonesian Stock Exchange during the period 2015-2017. The independent variables used by author are managerial ownership, audit committee and financial derivative, and the dependent variable is effective tax rate. The sampling technique is non-probability sampling using purposive sampling method, namely a technique when the author selects the samples to meet certain criteria. Analysis techniques to examine each of the variables and testing hypothesis was done through by statistic descriptive test, the dummy variable approach, classical assumption test, multiple linear regression analysis to test the coefficient of determination, F test and t test using SPSS 20.*

*After doing pooling test, it can be concluded that the data can be combined. But at the time of the classical assumption test, the data did not pass the normality test. The author uses outlier method to improve data. After using outlier method, there are 17 passed companies that could be tested. The results of F test after outlier indicate that the independent variables simultaneously affected dependent variable with a value of 0,000. The results of t test showed that the audit committee variable has an effect to effective tax rate with significant value 0.006, while managerial ownership and financial derivatives has no significant effect with a value of 0.899 and 0.229.*

*The research result showed that audit committee have a significant effect to effective tax rate. Meanwhile, managerial ownership and financial derivative do not have a significant effect to effective tax rate.*

*Keywords: Effective Tax Rate, Managerial Ownership, Audit Committee, Financial Derivative.*