

The Influence Of Fixed Assets, Debt Levels, Company Profitability, And Capital Intensity Ratio On Tax Management In Manufacturing Companies Listed On The Indonesia Stock Exchange For The Period 2018-2022

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ABSTRACT

The The purpose of this study is to examine the influence of fixed assets, debt levels, company profitability, and the capital intensity ratio on tax management in manufacturing companies listed on the IDX for the period 2018–2022, both partially and simultaneously. To achieve desired profitability and liquidity, tax management can be optimized. Effective tax administration is crucial to prevent businesses from engaging in tax law violations or tax evasion. The population in this study consists of all manufacturing companies listed on the IDX during the 2018–2022 period, totaling 177 companies, with a sample size of 285 analytical units. The research method employs multiple linear regression analysis techniques. The results of this study indicate that fixed assets, company profits, and the capital intensity ratio do not affect tax management. The debt level has a positive effect on tax management. Fixed assets, debt level, company profits, and the capital intensity ratio simultaneously affect tax management in manufacturing companies listed on the IDX for the 2018–2022 period.

Keywords: *Fixed Assets, Debt Levels, Company Profitability, Capital Intensity Ratio, Tax Management.*

INTRODUCTION

Manufacturing companies need to have specific objectives when running their business to develop their company. In the business world, the main goal of a company is to generate profits. To achieve profitability, a company must implement various strategies in managing its business. One of the

business responsibilities is handling its taxes. Businesses use tax avoidance as a management approach, which involves legally reducing taxes. The use of lawful tax provisions to reduce a taxpayer's tax obligations results in tax savings, known as tax avoidance. Tax avoidance is not illegal, as it refers to actions taken by taxpayers to reduce, minimize, or avoid tax payments.

One way to understand tax management is as a means to fulfill tax responsibilities accurately. To achieve the desired profitability and liquidity, taxation can be minimized. Effective tax administration is crucial to prevent businesses from engaging in tax law violations or tax evasion. The business sector must be able to take advantage of gaps in Indonesia's prevailing tax regulations.

LITERATURE REVIEW

Code Emite	Year	Fix Asset	Total Debt	Net Profit	Total Aset	Tax expense
ICBP	2018	10.741.622.000.00 0	11.660.003.000.00 0	4.658.781.000.000	34.367.153.000.00 0	1.788.004.000.00 0
	2019	11.342.412.000.00 0	12.038.210.000.00 0	5.360.029.000.000	38.709.314.000.00 0	2.076.943.000.00 0
	2020	13.351.296.000.00 0	53.270.272.000.00 0	7.418.574.000.000	103.588.325.000.0 00	2.540.073.000.00 0
	2021	46.751.821.000.00 0	92.285.331.000.00 0	11.229.695.000.00 0	179.271.840.000.0 00	3.258.958.000.00 0
	2022	47.410.528.000.00 0	86.810.262.000.00 0	9.192.569.000.000	180.433.300.000.0 00	3.126.196.000.00 0
GGRM	2018	22.758.558.000.00 0	23.963.934.000.00 0	7.793.068.000.000	69.097.219.000.00 0	2.686.174.000.00 0
	2019	25.373.983.000.00 0	27.716.516.000.00 0	10.880.704.000.00 0	78.647.274.000.00 0	3.607.032.000.00 0
	2020	27.678.244.000.00 0	19.668.941.000.00 0	7.647.729.000.000	78.191.409.000.00 0	2.015.404.000.00 0
	2021	29.780.132.000.00 0	30.676.095.000.00 0	5.605.321.000.000	89.964.369.000.00 0	1.681.525.000.00 0
	2022	32.426.439.000.00 0	30.706.651.000.00 0	2.779.742.000.000	88.562.617.000.00 0	866.779.000.000
	2018	7.288.435.000.000	11.244.167.000.00 0	13.538.418.000.00 0	46.602.420.000.00 0	4.422.851.000.00 0

HMSP	2019	7.297.912.000.000	15.223.076.000.000	13.721.513.000.000	50.902.806.000.000	4.537.910.000.000
			0	0	0	0
	2020	6.582.808.000.000	19.432.604.000.000	8.581.378.000.000	49.674.030.000.000	2.580.088.000.000
			0		0	0
	2021	6.038.643.000.000	23.899.022.000.000	7.137.097.000.000	53.090.428.000.000	2.015.069.000.000
			0		0	0
	2022	6.697.429.000.000	26.616.824.000.000	6.323.744.000.000	54.786.992.000.000	1.949.315.000.000
			0		0	0

1. An increase in fixed assets occurs, but tax management also increases.
2. An increase in the debt level occurs, but tax management also increases.
3. An increase in company profits occurs, but tax management decreases.
4. An increase in the Capital Intensity Ratio occurs, but tax management also increases.
5. An increase in fixed assets, debt level, company profits, and the Capital Intensity Ratio occurs, but tax management also increases.

Fixed Assets are assets owned and used by a company for a period exceeding one year and have a useful life that depreciates over time (the utility value decreases over time). (Lubis, 2018:29)

Debt Levels measures the extent to which a company is financed by debt. (Fahmi, 2018:72)

Indicator = Total Liabilities / Total Equity

Profitability is a ratio used to assess a company's ability to generate profits. (Kasmir, 2018:196)

Indicator = Net Income / Total Assets

Capital Intensity Ratio (CIR) is a ratio that measures the amount of assets required to generate one rupiah of sales. (Nelmidia and Siregar, 2016:1)

Indicator = Total Assets / Sales

Tax Management is one of the methods that taxpayers can use in managing the taxation of their business or income. (Rudianto, 2018:17)

Indicator = Tax Expense / Profit Before Tax

METHODS

Research Location

This research was conducted on manufacturing companies listed on the Indonesia Stock Exchange (IDX) for the 2018–2022 period. The reason the researcher chose the 2018–2022 period is that the data obtained is expected to reflect the current condition of manufacturing companies, making it relevant to

use the latest available period, namely 2018–2022.

Population, Sample, and Sampling Technique

The population of this study consists of 177 manufacturing companies listed on the Indonesia Stock Exchange (IDX) for the 2018–2022 period. The sample used in this study consists of 320 analysis units (5 years × 64 companies).

Data Analysis Method

The research design used in this study is **quantitative research**. Quantitative research is a type of research that involves numerical data and is analyzed using statistical methods.

The type of research applied is **descriptive quantitative research**. Descriptive quantitative research explains the relationship between variables by analyzing numerical data using statistical methods through hypothesis testing.

The nature of this research is **descriptive explanatory**, which aims to examine the relationship between variables that have a cause-and-effect connection. In this context, there are independent variables (variables that influence) and dependent variables (variables that are influenced).

RESULTS

Descriptive Statistics

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Fixed Assets	320	2127000000,0 0	62337000000000,0 00	5455060302524,248 0	1207082114087 0,94500
Debt Level	320	,07	5,44	,7407	,70245
Company Profits	320	,00	,92	,0894	,08813
Capital Intensity Ratio	320	,14	5,75	1,2917	,73679
Tax Management	320	,00	1,22	,2454	,11536
Valid N (listwise)	320				

The table shows the minimum value of fixed assets at IDR 2,127,000,000 for PT Akasha Wira International Tbk in 2018. The maximum value of fixed assets is IDR 62,337,000,000,000 for Astra International Tbk in 2019.

The minimum debt ratio is 0.07 for PT Multi Prima Sejahtera Tbk in 2019 and PT Supreme Cable Manufacturing Corporation Tbk in 2021. The maximum debt ratio is 5.44 for PT Alakasa Industrindo Tbk in 2018.

The minimum company profit is 0.00 for PT Cahayaputra Asa Keramik Tbk in 2020 and PT Semen Baturaja (Persero) Tbk in 2020. The maximum company profit is 0.92 for PT Merck Tbk in 2018.

The minimum Capital Intensity Ratio is 0.14 for PT Alakasa Industrindo Tbk in 2021. The maximum Capital Intensity Ratio is 5.75 for PT Astra International Tbk in 2022.

The minimum tax management is 0.00 for PT Alakasa Industrindo Tbk in 2018 and PT Integra Indocabinet Tbk in 2019 and 2017. The maximum tax management is 1.22 for PT Trias Sentosa Tbk in 2019.

1. Results of Classical Assumption Test

Normality Test

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		182
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	.02517523
Most Extreme Differences	Absolute	.051
	Postive	.040
	Negative	-.051
Test Statistic		.051
Asymp.Sig.(2-tailed)		.200 ^{c,d}
a. Test distribution is Normal.		

The table shows that the Kolmogorov-Smirnov (K-S) significance value is 0.200. This means the data is normally distributed, as the significance is > 0.05 statistically.

Multicollinearity Test

Multicollinearity Test

Variables	Collinearity statistics	
	Tolerance	VIF
LN Fixed Asset	.901	1.110
Debt Level	.748	1.337
Company Profits	.808	1.237
Capital Intensity Ratio	.961	1.040

Dependent Variable : Tax Management

Based on the above, it can be

SPSS data

concluded that there is no multicollinearity in this study. This is evidenced by the fact that none of the independent variables have a Tolerance value < 0.1 or a VIF < 10 . The results of the multicollinearity test show that the Tolerance value or VIF for fixed assets is $0.901 > 0.1$ or $1.110 < 10$. The Tolerance value or VIF for the debt level is $0.748 > 0.1$ or $1.337 < 10$. The Tolerance value or VIF for company profits is $0.808 > 0.1$ or $1.237 < 10$. The Tolerance value or VIF for the capital intensity ratio is $0.961 > 0.1$ or $1.040 < 10$. The conclusion from this multicollinearity test is that all independent variables do not exhibit multicollinearity.

Autocorrelation Test

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.278 ^a	.077	.57	1.863

a. Predictors: (Constant), Fixed Asset, Debt Level, Company Profits, Capital Intensity Ratio

b. Dependent Variable: Tax Management

The table above shows that the data processing result obtained a Durbin-Watson value of 1.863 with $n = 182$ and $k = 4$, resulting in a DL value of 1.7128 and a DU value of 1.8025. Since the DW value of 1.863 is above DU 1.8025 ($1.8025 < 1.863 < 2.1975$), it can be concluded that no autocorrelation occurs.

Heteroscedasticity Test

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		

1	(Constant)	-6.889	1.741		-3.965	.000
	Fixed Assets	.092	.063	.168	1.455	.149
	Debt Level	-.019	.296	-.008	-1.553	.950
	Company Profits	-.575	2.166	-.031	-.265	.791
	Capital Intensity Ratio	.239	.291	.089	.820	.415

a. Dependent Variable: LN_res

Source: Data Processing SPSS 2024

The table shows that the fixed assets Park test value is 1.455 with a significance value of 0.149. The debt level Park test value is -0.063 with a significance value of 0.950. The company profit Park test value is -0.265 with a significance value of 0.791. The capital intensity ratio Park test value is 0.820 with a significance value of 0.415. This means there is no heteroscedasticity in the regression model, making the regression model suitable for use in this study, as the significance values are > 0.05 statistically.

Analisis Regresi Linear Berganda

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.300	.033		9.091	.000
	Fixed Assets	-.002	.001	-.129	-1.696	.092

Debt Level	.013	.006	.186	2.232	.027
Company Profits	-0.069	.043	-.128	-1.590	.114
Capital Intensity Ratio	-.009	.005	-.135	-1.873	.068

a. Dependent Variable: Tax Management

Source: SPSS Data Processing , 2024

Based on the data above, a regression equation can be formulated to analyze the effect of fixed assets, debt level, company profit, and Capital Intensity Ratio on tax management in manufacturing companies listed on the Indonesia Stock Exchange (IDX) for the 2018-2022 period. The equation is as follows:

$$Y = 0.300 - 0.002 X1 + 0.013 X2 - 0.069 X3 - 0.009 X4 + e$$

The coefficients in the multiple linear regression equation have the following meanings:

- a. The constant (a) of 0.300 indicates that if fixed assets, debt level, company profits, and Capital Intensity Ratio are assumed to be zero, the tax management in manufacturing companies listed on the IDX for the 2018-2022 period would be 30%.
- b. The fixed assets regression coefficient (b1) of -0.002 indicates that for every 0.2% increase in fixed assets, there will be a 0.2% decrease in tax management in manufacturing companies listed on the IDX for the 2018-2022 period.
- c. The debt level regression coefficient (b2) of 0.013 indicates that for every 1.3% increase in debt level, there will be a 1.3% increase in tax management in manufacturing companies listed on the IDX for the 2018-2022 period.
- d. The company profit regression coefficient (b3) of -0.069 indicates that for every 6.9% increase in company profits, there will be a 6.9% decrease in tax management in manufacturing companies listed on the IDX for the 2018-2022 period.
- e. The Capital Intensity Ratio regression coefficient (b4) of -0.009 indicates that for every 0.9% increase in the Capital Intensity Ratio, there will be a 0.9% decrease in tax management in manufacturing companies listed on the IDX for the 2018-2022 period.

Partial Hypothesis Testing (t-Test)

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.300	.033		9.091	.000
	Fixed Assets	-.002	.001	-.129	-1.696	.092
	Debt Level	.013	.006	.186	2.232	.027
	Company Profits	-.069	.043	-.128	-1.590	.114
	Capital Intensity Ratio	-.009	.005	-.135	-1.873	.068

a. Dependent Variable: Tax Management

Source: SPSS Data Processing , 2024

Based on the results of the partial test in table 4.8, the test results for each independent variable are as follows:

The test result for the fixed assets variable shows a t-value of -1.696 < the t-table value of 1.97338 with a significance value of 0.092 > 0.05, so H1 is rejected. This means that fixed assets do not have a partial effect on tax management in manufacturing companies listed on the Indonesia Stock Exchange (IDX) for the 2018-2022 period.

The test result for the debt level variable shows a t-value of 2.232 > the t-table value of 1.97338 with a significance value of 0.027 < 0.05, so H2 is accepted. This means that the debt level has a positive

partial effect on tax management in manufacturing companies listed on the IDX for the 2018-2022 period.

The test result for the company profit variable shows a t-value of $-1.590 < \text{the t-table value of } 1.97338$ with a significance value of $0.114 > 0.05$, so H3 is rejected. This means that company profit does not have a partial effect on tax management in manufacturing companies listed on the IDX for the 2018-2022 period.

The test result for the Capital Intensity Ratio variable shows a t-value of $-1.837 < \text{the t-table value of } 1.97338$ with a significance value of $0.068 > 0.05$, so H4 is rejected. This means that the Capital Intensity Ratio does not have a partial effect on tax management in manufacturing companies listed on the IDX for the 2018-2022 period.

Simultaneous Hypothesis Testing (F-Test)

ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.010	4	.002	3.715	.006 ^b
	Residuals	.115	177	.001		
	Total	.124	181			

a. Dependent Variable: Tax Management

b. Predictors: (Constant), Fixed Asset, Debt Level, Company Profits, Capital Intensity Ratio

Based on the results of the simultaneous test presented in table 4.9, with an F-value of $3.715 <$ the F-table value of 2.66 and a significance value of $0.006 < 0.05$, H_5 is accepted. It can be concluded that fixed assets, debt level, company profit, and Capital Intensity Ratio simultaneously affect tax management in manufacturing companies listed on the Indonesia Stock Exchange (IDX) for the 2018-2022 period.

DISCUSSION

The Effect of Fixed Assets on Tax Management

The statistical test results in this study on the fixed assets variable with tax management indicate that fixed assets do not have a partial effect on tax management in manufacturing companies listed on the Indonesia Stock Exchange (IDX) for the 2018-2022 period. The lack of a relationship suggests a strong association with tax management. This is because the level of fixed asset ratio in this study does not affect tax management.

The Effect of Debt Level on Tax Management

The statistical test results in this study on the debt level variable with tax management indicate that debt level has a positive partial effect on tax management in manufacturing companies listed on the Indonesia Stock Exchange (IDX) for the 2018-2022 period. The observed relationship shows a strong association with tax management.

The Effect of Company Profit on Tax Management

The statistical test results in this study on the company profit variable with tax management indicate that company profit does not have a partial effect on tax management in manufacturing companies listed on the Indonesia Stock Exchange (IDX) for the 2018-2022 period. The observed relationship shows a strong association with tax management.

The Effect of Capital Intensity Ratio on Tax Management

The statistical test results in this study on the Capital Intensity Ratio variable with tax management indicate that the Capital Intensity Ratio does not have a partial effect on tax management in manufacturing companies listed on the Indonesia Stock Exchange (IDX) for the 2018-2022 period. The lack of a relationship suggests a strong association with tax management.

The Effect of Fixed Assets, Debt Level, Company Profit, and Capital Intensity Ratio on Tax Management

The statistical test results in this study on the fixed assets, debt level, company profit, and Capital Intensity Ratio variables with tax management indicate that there is an effect of fixed assets, debt level,

company profit, and Capital Intensity Ratio on tax management. The observed relationships show a strong association with tax management.

CONCLUSION

1. The partial test results prove that fixed assets do not affect tax management in manufacturing companies listed on the Indonesia Stock Exchange (IDX) for the 2018-2022 period.
2. The partial test results prove that the debt level has a positive effect on tax management in manufacturing companies listed on the Indonesia Stock Exchange (IDX) for the 2018-2022 period.
3. The partial test results prove that company profit does not affect tax management in manufacturing companies listed on the Indonesia Stock Exchange (IDX) for the 2018-2022 period.
4. The partial test results prove that the capital intensity ratio does not affect tax management in manufacturing companies listed on the Indonesia Stock Exchange (IDX) for the 2018-2022 period.

The simultaneous test results prove that fixed assets, debt level, company profit, and Capital Intensity Ratio simultaneously affect tax management in manufacturing companies listed on the Indonesia Stock Exchange (IDX) for the 2018-2022 period.

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