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The Influence of Return on Assets (RoA), Return on Equity (RoE), and Leverage, and Company Size on Tax Avoidance in Banks Listed on the Indonesian Stock Exchange in 2018-2021

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Abstract:

This research was conducted to determine the influence of Return On Assets, Return On Equity, Leverage, and Company Size on Tax Avoidance listed on the Indonesia Stock Exchange in 2018-2021. The sample used in this research is banking companies listed on the Indonesia Stock Exchange. The sampling technique was purposive, determined using criteria, and obtained 84 samples. The testing in this research uses the multiple linear regression method to see the effect of Return On Assets, Return On Equity, Leverage, and Company Size using supporting software, namely SPSS. The research results show that Return On Assets has no effect on Tax Avoidance, Return On Equity has an effect on Tax Avoidance.

Keywords:

Return on Assets, Return on Equity, Leverage, Company Size, Tax Avoidance

I. Introduction

Every company has the same goal, namely, to make a profit or profit. Companies that manage assets and capital will have good chances of making a profit. The size of profits is influenced by how the company manages assets, invests, and uses costs. Increasingly rapid economic growth requires companies to create all the potential that the country has as a source of income to finance all state expenditures in the context of national development.

For companies, taxes are costs that must be incurred to reduce net profit. Companies must pay taxes. The tax itself is obtained from various collections, including at a company. One way for companies to get a higher profit level is through tax avoidance. Tax avoidance is one way to avoid taxes legally that does not violate tax regulations. Certain companies carry out tax avoidance through policies taken by the company leaders themselves.

To see the phenomenon of tax avoidance, it can be seen using the tax ratio. The function of the tax ratio is to find out approximately how large the portion of taxes is in the national economy. The higher a country's tax ratio, the better the country's tax collection performance. The average Indonesian tax ratio has been around 10.24% over the last five years. According to the former Director General of Taxes at the Ministry of Finance, Hadi Poernomo, one of the reasons why Indonesia's tax ratio is low is due to inconsistencies in the implementation of tax policies. Policy implementation at the level of ministerial regulations to the Director General of Taxes' regulations still needs to be consistent with statutory regulations.

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The factor that causes companies to take tax avoidance is profitability, which can be seen from Return On Assets (ROA) and Return On Equity (ROE), Leverage, and Company Value.

Return On Assets (ROA) is the company's ability to create profits with all the assets owned by the company. The more profits a company earns, the more likely the company is to practice tax avoidance (Setiani, 2016). Return On Assets can only influence Tax Avoidance with a small impact, and the rise and fall of Return On Assets cannot determine the rise and fall of Tax Avoidance (Erniwati, 2021).

Return On Equity(ROE) is the company's ability to create profits with all the capital the company owns. Return On Equity (ROE) is used to measure the ability of a business entity to generate profits using equity capital that shareholders have invested. The results of research conducted by Nilam Anjani, Agus Eko Sutriyono, and Hasanah (2021) show that Return On Assets has a significant effect on Tax Avoidance. The results of this research are different from the results of previous research conducted by Latersia Br—Gurusinga and Vanny (2023), who state that ROE does not affect Tax Avoidance.

Leverage is the level of debt used by the company to finance the company's needs. A higher leverage ratio indicates that a higher amount of company funding comes from third parties, and these parties can carry out strict supervision of company managers (Wijayanti & Merkusiwati, 2017).

Company size is a measurement that is classified based on the size or size of the company; apart from that, it can also show the company's operational activities and income (Mahdiana & Amin, 2020). According to previous researchers Salma Mustika Ainniyya, Ati Sumiyati, and Santi Susanti (2021), regardless of its size, whether large or small, company size has no impact on the company's Tax Avoidance.

The larger the company size, the more the company will consider risks in terms of managing its tax burden. Large companies tend to have greater resources than small companies to manage taxes. This can be seen from the following phenomena.

Table 1. Phenomenon
In Millions

ISSUER CODE	YEAR	ROA	ROE	Leverage	Company Size	CETR
BGTG	2018	0.0012	0.0049	0.7496	15.3189	2.5920
	2019	0.0024	0.0103	0.7630	15.3862	0.5443
	2020	0.0005	0.0028	0.7877	15.4955	0.5557
	2021	0.0012	0.0050	0.7494	15.9645	0.7427
BMRI	2018	0.0215	0.1397	0.7835	20.9075	0.2121
	2019	0.02158	0.1361	0.7781	20.9996	0.2072
	2020	0.1193	0.8980	0.7697	21.1563	0.2070
	2021	0.0177	0.1375	0.7688	21.2688	0.2164
BSIM	2018	0.0016	0.0103	0.7653	17.2414	1.3032
	2019	0.0001	0.0011	0.7217	17.4145	0.0918
	2020	0.0026	0.0195	0.7298	17.6135	0.2880
	2021	0.0024	0.0173	0.7366	17.7796	0.3451

Source: Indonesian Stock Exchange Financial Report 2018-2021

At PT. Bank Ganesha Tbk. Data was found that Leverage in 2018 was 0.7496, and there was an increase in 2019 of 0.7630. This increase was not followed by CETR, which decreased by 0.5443. On PT Bank Mandiri (Persero) Tbk shows data that in 2020, there was a decrease in ROE of 0.8980 to 0.1375 in 2021. However, the decrease in ROA was not followed by CETR. CETR experienced an increase of 0.2164 in 2021.

In 2018, Bank Sinarmas Tbk experienced an increase in Company Size from 17.2414 to 17.4145 in 2019. However, it can be seen in the table that CETR did not increase from 2018 to 2019. CETR decreased by 0.0918.

Based on the above phenomenon, researchers are interested in conducting research with the title "The Influence of Return On Assets (ROA), Return On Equity (ROE), Leverage, and Company Size on Tax Avoidance in Banks Listed on the Indonesian Stock Exchange in 2018-2021"

II. Review of Literature

2.1 Theory of the Effect of Return on Assets on Tax Avoidance

Good asset management provides benefits for the company with tax incentives for the company. According to previous researchers, Rini Handayani, in her journal, stated that depreciation of expenses for acquiring tangible assets and amortization of expenses for acquiring rights and other costs that have benefits for more than one year can be used as tax deductions.

2.2 Theory of the Effect of Return on Equity on Tax Avoidance

ROE and Tax Avoidance are benchmarks for the income that company owners have from invested capital. Companies that manage invested capital well to increase company profits will pay attention to tax management to obtain profits through tax dispensations so that companies tend to be seen as avoiding taxes. The better the ROE value of a company, the better the performance results will be in obtaining net profit before tax. (Hutajulu, A & Hutabarat, FM: 2020)

2.3 Theory of the Effect of Leverage on Tax Avoidance

Leverage is a comparison that reflects the amount of debt used for financing by the company in carrying out its operational activities. The greater the use of debt by a company will impact the amount of interest expense that the company must incur; this can reduce pre-tax profits, reducing the amount of tax the company must pay. (Purnama, D. 2020)

2.3 Theory of the Influence of Company Size on Tax Avoidance

According to Agustina and Aris (2016), the greater the company's total assets, the greater the company's productivity. This will result in increasing profits and affect the level of tax payments. The large tax burden that companies have to pay allows them to carry out tax avoidance practices.

2.4 Tax Avoidance Theory

According to Kalbuana et al. (2017), Tax Avoidance is an effort made to minimize the tax owed, which is still legal but poses risks for the company, both being subject to fines by the government and a bad reputation in the eyes of the public. According to Lathifa (2019), Tax Avoidance is a tax avoidance system that aims to minimize the tax burden by exploiting loopholes in the tax regulations that apply in a country.

2.4 Conceptual Framework

The conceptual framework explains the relationship between the four variables, which include the influence of Return On Assets (ROA), Return On Equity (ROE), Leverage, and Company Size, which are estimated to have a partial or simultaneous influence on the dependent variable, namely Tax Avoidance.

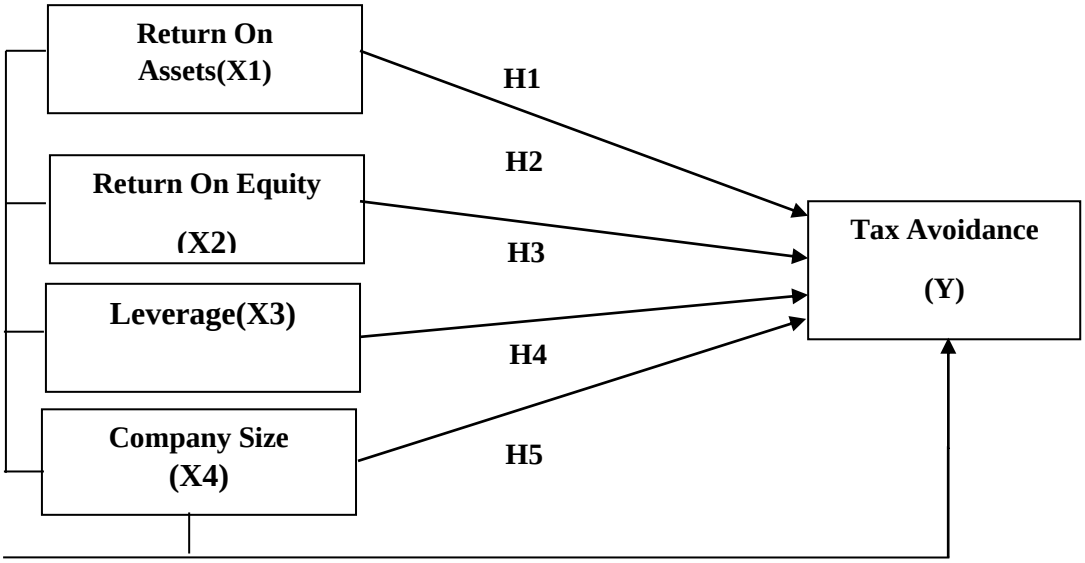

Figure 1. *Conceptual Framework*

2.5 Research Hypothesis

H1*: Return on Assets*(ROA) partially influences Tax Avoidance in banks listed on the Indonesia Stock Exchange in 2018-2021.

H2: Return on Equity (ROE) partially influences Tax Avoidance in banks listed on the Indonesia Stock Exchange in 2018-2021.

H3: Leverage partially influences Tax Avoidance in banks listed on the Indonesia Stock Exchange in 2018-2021

H4: Company size partially influences *tax Avoidance* in banks listed on the Indonesian Stock Exchange in 2018-2021.

H5: Return On Assets (ROA), Return On Equity (ROE), Leverage, and Company Size simultaneously influence Tax Avoidance in banks listed on the Indonesia Stock Exchange in 2018-2021.

III. Research Method

3.1 Research Methods

According to Sugiyono, research methodology is a scientific way of finding data for certain goals and uses. The method used in this research is quantitative. The type of data used by researchers in this research is secondary data obtained from annual financial report data on the Indonesia Stock Exchange website: www.idx.co.id

3.2 Data Type

The data used is secondary data. According to Sugiyono (2018; 456), secondary data, namely data sources that, do not directly provide data to data collectors, for example, through other people or documents. Researchers also obtained data sources from various journals, websites, articles, and previous research to support and complement the data. The document used is the company's financial report.

3.3 Population and Sample

According to Handayani (2020), the population is the totality of every element to be studied with the same characteristics, which can be individuals from a group, event, or something to be studied. The population targeted for this research is banks listed on the Indonesia Stock Exchange (BEI) in 2018-2021. In contrast, the sample is part of the total number of characteristics of the population (Sugiyono, 2018, p. 118). The sample selection in this research used the purposive sampling method. The companies used as research samples must have the following criteria:

Table 2. Research Sample Criteria

NO	CRITERIA	AMOUNT
	Banks listed on the Indonesian Stock Exchange in 2018-2021	58
	Banks listed on the Indonesia Stock Exchange that publish financial reports for 2018-2021	(16)
	Banks listed on the Indonesian Stock Exchange that did not experience profits in 2018-2021	(13)
	Banks that made consecutive tax payments in 2018-2019	(8)
Total companies that meet the sample criteria		21
Year of observation		4
Total sample during the current period		84

3.4 Operational Research Variables

Table 3. Operational Definition and Variable Measurement

VARIABLES	DEFINITION	INDICATOR	SCALE
***Return On Assets*(ROA)**	ROA is used to show the company's ability to generate profits using the total assets owned (Kasmir, 2016)	ROA = (Net Profit)/(Total Assets)	Ratio
***Return On Equity*(ROE)**	ROE is a ratio that shows how much equity contributes to creating net profit (Hery, 2016)	ROE = (Net Profit)/(Total Equity)	Ratio
Leverage	*Leverage*shows the proportion of debt used in terms of investment financing (Sartono, 2015)	Leverage = Total Debt/Total Assets	Ratio
Company	Company size is a classification of a	Size = LN X	Ratio

Size	company based on the number of assets it owns. (Moel Jono, 2020)	Total Assets	
Tax Avoidance	*Tax Avoidance* is an effort to lighten the tax burden by not violating the law (Mardiasmo, 2018)	CETR = Tax Payments/Profit Before Tax	Ratio

3.5 Classic Assumption Test

The classical assumption test is a statistical requirement for multiple linear regression analysis based on Ordinary Least squares (OLS). The classical assumption test consists of the normality test, multicollinearity test, autocorrelation test, and heteroscedasticity test.

3.6 Normality Test

The normality test assesses the normality of the variables studied, whether the data is normally distributed or not Sugiyono (2017:239). This is important because if the data for each variable is not normal, then hypothesis testing cannot use parametric statistics.

3.7 Multicollinearity Test

The multicollinearity test is a linear relationship between independent variables. Ghozali (2017:71) states that the multicollinearity test aims to test whether, in the regression model, there is a high or perfect correlation between the independent variables. Ghozali (2017:73) states that with a significance level of 90%, the existence of multicollinearity between independent variables can be detected using the following correlation matrix:

- If the correlation matrix value of two independent variables is > 0.90, then multicollinearity exists.
- If the correlation matrix value between two independent variables is <0.90, then there is no multicollinearity.

3.8 Autocorrelation Test

The autocorrelation test, according to Ghozali (2017: 121) states that the autocorrelation test aims to test whether, in the linear regression model, there is a correlation between confounding errors in period t and confounding errors in period t-1 (previously).

3.8 Heteroscedasticity Test

According to Ghozali (2017:47), the heteroscedasticity test means that there are variable variants in the regression model that are not the same. If the opposite happens, the variables in the regression model have the same value; it is called homoscedasticity.

3.9 Research Data Analysis

The regression model used is multiple regression analysis. The multiple regression equation aims to measure the strength of the linear association (relationship) between two variables, Ghozali (2018:95). The formula is as follows:

$$Y = a + b1X1 + b2X2 + b3X3 + b4X4 + e$$

Information :

Y: The value of the company
a: Constant
b: Regression Coefficient
X_2: Return On Equity (ROE)
X_3:*Leverage*
X_4: Company Size

X1: Return On Assets (ROA) e: Nuisance Variables

3.10 Coefficient of Determination (R2)

According to Ghozali (2018), the coefficient of determination (R2) measures the extent of the model's ability to explain variations in the dependent variable.

3.11 Individual Parameter Significance Test (T-Test)

The t-test is a type of parametric statistical test that is used to test significance and relevance in one or two sample groups. Ghozali (2017:56) states that the t-statistical test shows how far the influence of one independent variable has on the dependent variable with the assumption that the other independent variables are constant. This test is based on a significance level of 0.05. The t-test criteria are:

- H0 is accepted if -table ≤ count ≤ table and significant > 0.05
- Ha is accepted if -tcount< -table or tcount>ttable and significant < 0.05

3.10 Overall Significance Test of Sample Regression (F Test)

According to Ghozali (2018:56), the f-test aims to find out whether the independent variables together affect the dependent variable. The f-test criteria are:

- H0 = B1 = B2 = 0, meaning that Return On Assets, Return On Equity, Leverage, and Company Size simultaneously influence Tax Avoidance in Banks Listed on the Indonesian Stock Exchange in 2018-2021.
- H1 ≠ B1 ≠ B2 ≠ 0, meaning that Return On Assets, Return On Equity, Leverage, and Company Size simultaneously have no effect on Tax Avoidance in Banks Listed on the Indonesian Stock Exchange in 2018-2021.

IV. Results and Discussion

4.1 General Overview of Banking on the Indonesian Stock Exchange

Based on data obtained from the Indonesian Stock Exchange, there are 58 banking companies registered in the 2021 period. The sample used was 21 companies with 4 years of observation. The researcher carried out descriptive statistics for this research to find out the statistical picture of the entire sample and explain the minimum value, maximum value, average value (mean), and standard deviation value of the dependent and independent variables.

a. Descriptive Statistics

Table 4. Descriptive Statistics

Descriptive Statistics

	N Statistics	Minimum Statistics	Maximum Statistics	Mean Statistics	Std. Deviation Statistics
ROA	84	.00020	.09100	.0144345	.01645141
ROE	84	.00110	.25950	.0796774	.06117002
LEVERAGE	84	.13710	.91890	.7576940	.18648289
COMPANY SIZE	84	15.16460	32.52050	20.1827690	4.69197609
TAX AVOIDANCE	84	.06270	2.59200	.3617750	.35774975
Valid N (listwise)	84				

Source: SPSS Data Processing Results

Based on Table III.1, it can be seen that the total data from this research is 84 samples. The test results above show the minimum value, maximum value, average value, and deviation value. From the results of the analysis above, it can be concluded that:

1. *Return On Assets* has a minimum value of 0.00020 followed by a maximum value of 0.9100. The average value of Return On Assets is smaller at 0.14434 compared to the deviation value of 0.16451.
2. *Return On equity* has a minimum value of 0.00110 and a maximum value of 0.25950. The data is quite varied and spreads between the minimum and maximum values. This variable has a deviation value of 0.06117, followed by an average value of 0.0796, where the deviation value is smaller than the mean value.
3. *Leverage* has a smaller deviation value than the average value, namely 0.18648 and 0.75769. The minimum value and maximum value of this variable are 0.13710 and 0.91890.
4. The minimum and maximum values for Company Size are 15.16460 and 32.52 050, while the average value for Company Size is 20.18276, greater than the standard deviation value of 4.69197.
5. The deviation value of Tax Avoidance is smaller than the average value of 0.35774 and 0.36177. The minimum value and maximum value of Tax Avoidance are 0.06270 and 2.59500, where the data is quite varied and spreads between the minimum value and the maximum value.

b. Classic Assumption Test Results

Table 5. Normality test

Normality Test Before Transformation One-Sample Kolmogorov-

		Unstandardized Residuals
N		84
Normal Parameters, b	Mean	.0000000
	Std. Deviation	.32021828
Most Extreme Differences	Absolute	,220
	Positive	,220
	Negative	-.171
Statistical Tests		,220
Asymp. Sig. (2-tailed)		,000c

Source: SPSS Processing Results

The normality test aims to find out whether data is normally distributed or not. Based on the table above, the significant value is 0.000, which means the data is not normally distributed because the significant value is <0.05.

The data is not normally distributed due to outliers. Outliers are data that have extreme values, both high and low. The presence of outliers can make the distribution of values skewed to the left or right.

According to Ghozali (2018), data that is not normally distributed can be treated by carrying out data transformation. Data transformation is converting data into a new scale to ensure homogeneity and normal data distribution. Transformation can be carried out on all variables into several types of transformation, one of which is Quartier, where data that is considered disturbing will be discarded and become new data. New data from Quartier results will be used in other tests.

Table 6. Normality Test After Transformation

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residuals
N		59
Normal Parameters, b	Mean	.0000000
	Std. Deviation	70314573.88816683
Most Extreme Differences	Absolute	.105
	Positive	,050
	Negative	-.105
Statistical Tests		.105
Asymp. Sig. (2-tailed)		.162c

Source: SPSS Processing Results

The results of the Kolmogrov-Smirnov normality test show a significant value of 0.162 > 0.05. Thus, the results of the normality test after carrying out the transformation can be concluded that the data is normally distributed.

4.2 Multicollinearity Test

Table 7. Multicollinearity Test

Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	924930836.254	239201297.146		3,867	,000		
Return On Assets	1,531	4,896	.071	,313	,755	,199	5,034
Return On Equity	-2,643	1,130	-.452	-2,339	,022	,272	3,679
Leverage	-.210	,265	-.109	-.792	,431	,532	1,880
Company Size	-.011	,008	-.140	-1,319	,191	,904	1,106

Source: SPSS Processing Results

The multicollinearity test was conducted to determine whether a correlation was found in a regression model between independent variables (Ghozali, 2016). Based on the table above, Return On Assets has a tolerance of 0.199 > 0.10 with a VIF value of 5.034 < 10, Return On Equity has a tolerance of 0.272 > 0.10 with a VIF of 3.679 < 10, Leverage has a tolerance of 0.532 > 0.10 with VIF is 1.880 < 10. Company Size has a tolerance of 0.904 > 0.10 with a VIF of 1.106 < 10. So, there is no multicollinearity in the independent variables in the regression model.

4.3 Heteroscedasticity Test

Table 8. Heteroscedasticity Test

Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	,407	,179		2,272	.026

ROA	3,996	3,667	,249	1,090	,279
ROE	-2,263	,845	-.523	-2,680	,009
LEVERAGE	,112	,198	,079	,565	,574
COMPANY SIZE	-.009	,006	-.167	-1,556	.124

Source: SPSS Processing Results

The purpose of the heteroscedasticity test is to test whether, in a regression model, there is an inequality of variance from residual observations to other observations (Ghozali, 2018). In the table above, it can be seen that the four independent variables have a significance value of > 0.05, so heteroscedasticity does not occur in this regression model.

4.4 Autocorrelation Test

Table 9. Autocorrelation Test

Model Summary b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.445a	,198	,157	.328224968835	2,090

Source: SPSS Processing Results

The purpose of the autocorrelation test is to determine whether, in linear regression, there is a correlation between confounding errors in period t and errors in period t-1 (Ghozali & Ratmono, 2017, p. 121). From the table above, the d value is 2.090, with the dU value based on the Durbin-Watson table being 1.7642, so the 4-dU value is 2.2538. The condition for no autocorrelation to occur is dU < d < 4-dU, then the data in the table has a value of 1.7642 < 2.090 < 2.2538, so the data does not have autocorrelation.

4.5 Multiple Linear Analyses

This analysis determines how much influence the independent variables, Return On Assets, Return On Equity, Leverage, and Company Size have on the dependent variable, namely Tax Avoidance. The following multiple linear regression testing was carried out in three stages, namely the Coefficient of Determination Test (R2), Partial Test (T-Test), and Simultaneous Test (F Test). Following are the results of the linear regression test multiple:

a. Coefficient of determination

Table 10. Determination Coefficient Test

Model Summary b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.445a	,198	,157	.328224969

The coefficient of determination in this research was carried out to measure how far the model can explain the independent variables (Arifin, 2017, p. 160).

From Table III.7, it can be concluded that the coefficient of determination value of 0.198, which can be interpreted as an independent variable, explains the dependent variable in this study by 19.8%, and the remaining 80.2% is influenced by other factors, such as adding other variables.

4.6 Significance Test (F Test)

Table 11. F test

ANOVAa

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	2,096	4	,524	4,864	.001b
Residual	8,511	79	.108		
Total	10,607	83			

Source: SPSS Processing Results

Based on Table III. 8, testing the independent variables together on the dependent variable with the F test resulted in Fcount 4.864 > Ftable 2.72 and a significance value of 0.001 < 0.05, which means H0=B1=B2=0, meaning Return On Assets, Return On Equity, Leverage and Company Size simultaneously have a positive effect on Tax Avoidance.

4.7 Partial Test (T-Test)

Table 12. T-Test on Return on Assets, Return on Equity, Leverage, and Company Size

Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	,927	,240		3,869	,000
ROA	1,439	4,900	,066	,294	,770
ROE	-2,624	1,129	-.449	-2,325	.023
LEVERAGE	-.213	,265	-.111	-.802	,425
COMPANY_SIZE	-.011	,008	-.140	-1,318	,191

Source: SPSS Processing Results

a. Effect of Return on Assets on Tax Avoidance

Based on the results of this research, it show that the significance value of the influence of Return On Assets on Tax Avoidance is 0.770 > 0.05. The t value is 0.294 < table 1.99045, so Ho is accepted, and Ha is rejected, meaning there is no significant influence of Return On Assets on Tax Avoidance.

From the test results above, it can be concluded that there is no partial influence *on the Return Of Assets* against Tax Avoidance. The results of this research are supported by previous researchers, Tri Irawati and friends (2021), who stated that Return On Assets does not have a significant influence on Tax Avoidance. However, research by Diksan Pahal and friends (2021) states that Return On Assets has a significant influence on Tax Avoidance.

b. The Effect of Return on Equity on Tax Avoidance

Table III.9 shows that the significance value of 0.023 is that the influence of Return On Equity on Tax Avoidance is 0.023 < 0.05, and the t value is -2.325 > t Table 1.99045, so Ho is rejected. Ha is accepted, meaning that Return On Equity has a significant negative influence against Tax Avoidance. Previous researchers, Aprilliani Hutajulu and Francis M. Hutabarat (2020), stated that Return On Equity has a significant effect on Tax Avoidance. In contrast to Hidayat's (2018) research, it is stated that Return On Equity has no significant effect on Tax Avoidance.

c. The Effect of Leverage on Tax Avoidance

Based on the research results above, it is shown that the significance value of 0.425 is that the influence of Leverage on Tax Avoidance is 0.425 > 0.05, and the t value is -0.802 < t table 1.99045. So Ho is accepted, and Ha is rejected, meaning Leverage has no significant effect on Tax Avoidance. The research results differ from previous researchers Adinda Putri Puspitasari and Sartika Wulandari (2022), who stated that Leverage had a significant negative effect on Tax Avoidance. However, previous researchers Mustika Ningtyas and friends (2020) stated that Leverage has no significant effect on Tax Avoidance.

d. The Influence of Company Size on Tax Avoidance

Based on the table above, it is shown that the significance value of 0.191 for the influence of Company Size on Tax Avoidance is 0.191 > 0.05, and the t value is -1.318 < table 1.99045, so Ho is accepted, and Ha is rejected, which means that Company Size has no significant effect on Tax Avoidance. These results are inversely proportional to previous researchers, Adinda Putri Puspitasari and Sartika Wulandari (2022), which showed a significant positive effect between company size and tax avoidance. However, in research, 2020 Muda et al., 2020 said that company size does not affect tax avoidance.

V. Conclusion

From the tests and discussions that have been carried out, it can be concluded that Return On Assets does not have a partial influence on Tax Avoidance in Banking Listed on the Indonesia Stock Exchange 2018-2021, and Return On Equity has a partial influence on Tax Avoidance in Banking Listed on the Exchange Indonesian Effect 2018-2021, Leverage does not have a partial influence on Tax Avoidance in Banking Listed on the Indonesia Stock Exchange 2018-2021, Company Size does not have a partial influence on Tax Avoidance in Banking Listed on the Indonesia Stock Exchange 2018-2021, Overall Simultaneous Return On Assets, Return On Equity, Leverage, and Company Size influence Tax Avoidance in Banks Listed on the Indonesian Stock Exchange 2018-2021.

From the conclusions of the research above, the suggestions that we can give are, for future researchers, it is recommended to increase the period of observation years that they want to test to get a larger sample and also add variables so that tax avoidance testing can be carried out more accurately and for banking companies to be more careful in taking tax avoidance actions and continue to pay taxes by applicable laws.

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