

ABSTRACT

The avoidance is company's arrangements minimize or eliminate the tax burden of the tax due consideration thereof. This research aimed at examining and providing empirical data on the effect of profitability, leverage, company size, and fiscal loss compensation toward tax avoidance.

The samples of this research were 25 infrastructure companies registered in the Indonesia Stock Exchange in 2010 – 2014 selected by using purposive sampling technique. The hypotheses were tested by using multiple linear regression analysis.

Based on the findings, profitability has a significant positive effect on tax avoidance. While fiscal loss compensation has a significant negative effect on tax avoidance. Nonetheless, leverage and company size has no significant effect on tax avoidance. The findings provided information for companies and fiscus in making decision and doing supervision to tax avoidance.

Keywords: Tax avoidance, profitability, leverage, company size, and fiscal loss compensation