

Determinants of Tax Avoidance: Assessing the Roles of Inventory Intensity and Firm Size

¹Zeta Paulina Pasa, ²Hetti herawati, ³Rima Dwijayanti

Universitas Sangga Buana

Email: Zetap1527@g-mail.com, hetti.herawati@usbykp.ac.id, and Rimadwijayanti@usbykp.ac.id

Abstract (12pt Bold)

The implementation of the self-assessment system grants taxpayers the authority to calculate, pay, and report their taxes independently. However, taxpayers often utilize this flexibility to minimize tax liabilities through existing legal loopholes. Inventory intensity and firm size are considered key variables that potentially influence tax avoidance behavior. This study aims to examine and analyze the effect of inventory intensity and firm size on tax avoidance. Tax avoidance is measured using the Effective Tax Rate (ETR).

This study adopts a quantitative approach using secondary data derived from published annual financial reports. The population comprises 47 food and beverage companies listed on the Indonesia Stock Exchange (IDX) during the 2018–2022 period. Using a purposive sampling technique, a final sample of 14 companies with 70 panel data observations was selected. Data analysis was conducted using panel data regression processed with EViews 12.

The results indicate that partially, inventory intensity has no significant effect on tax avoidance. Conversely, firm size has a positive and significant effect on tax avoidance. Simultaneously, both inventory intensity and firm size significantly influence tax avoidance.

Keywords: Inventory Intensity, Firm Size, Tax Avoidance, Effective Tax Rate (ETR)

Abstrak

Introduction

Introduction should contain (in order) a general background, a review of previous literature (state of the art) as the basis for stating the scientific novelty of the article, a clear statement of the scientific novelty, and the research problem or hypothesis. At the end of the introduction, the objective of the article must be clearly stated.

In the format of a scientific article, a separate literature review section—as commonly found in research reports—is not permitted. Instead, it should be integrated into the introduction in the form of a review of previous studies (state of the art), followed by a statement of the article's novelty.

Results and discussion should present the research findings along with a scientific discussion. Clearly describe the scientific findings obtained from the conducted research, supported by sufficient data. The term "scientific findings" here does not merely refer to raw data, but to the insights derived from analyzing the data. These scientific findings must be explained in a scientific

Author's name, Article title The research method used in solving the problem, including the method of analysis, must be described in this section. Figure captions should be placed as part of the figure title, not within the figure itself. The methods used to conduct the research must be explained here. Minor and commonly used tools (such as scissors, measuring cups, pencils) that are typically found in laboratories do not need to be mentioned. Only the main instruments or equipment used for analysis and/or characterization should be listed, including their type and level of accuracy where relevant. The research location, number of respondents, methods of processing observational, interview, or questionnaire data, and how performance indicators were measured must all be clearly described. Commonly known methods do not need to be explained in detail but should be referenced appropriately from books or literature. Experimental procedures must be written in declarative (descriptive) sentences, not in imperative (command) form

Citations must be written in body note format, such as (Uwuigbe & Ajibolade, 2013), (Wang, 2016), (Muttakin et al., 2015), and must be relevant to the references/bibliography list (the use of reference management software such as Mendeley or Zotero is recommended).

Research Method

Results and Discussion

manner, covering questions such as: What are the obtained findings? Why did they occur? Why do the variables show such trends? All of these questions must be addressed analytically, not just descriptively, and should be supported—if necessary—by relevant fundamental scientific phenomena. In addition, the findings should be compared to those of other researchers working on similar topics. The results and findings must be able to answer the research hypothesis stated in the introduction.

The manuscript may be written in either Bahasa Indonesia or English, with a maximum length of 20 pages, including figures and tables. The manuscript must be written according to the format of this article template in camera-ready form. The article should be prepared on A4 paper size (210 x 297 mm) with 2 cm margins on the left, right, top, and bottom. The manuscript must be typed in Times New Roman, font size 12 pt, single-spaced, and in a single-column format (except for the article title, author names, and abstract). The spacing between columns (if used) should be 1 cm. Foreign terms or words must be written in italic. The use of foreign terms should be avoided in manuscripts written in Bahasa Indonesia. New paragraphs should begin 1.15 cm from the left margin, and there should be no extra spacing between paragraphs.

Tables and figures should be placed within the body of the text after they are cited. Each figure must have a figure caption placed below the figure, numbered consecutively with Arabic numerals followed by the figure title. Each table must have a table caption placed above the table, also numbered consecutively with Arabic numerals followed by the table title. Figures must be clearly printable (ensure appropriate font size, resolution, and line thickness for clear reproduction). Figures, tables, and diagrams/schematics should preferably be placed within the column of text or centered on the page if they are too large.

Tables must not contain vertical lines; horizontal lines are allowed but should be used only when necessary. All tables and figures must be referred to in the text by their respective number, such as Table 1, Figure 1, and so on

Tabel 1 Write the table description

Ket.	Ket.	Ket.
Entry 1	Data	Data
Entry 2	Data	Data



Figure 1

Write the figure description

If using a mathematical format, it can be written as follows:

$$n = a + b$$

The explanation of the formula can be written here.

Further clarification or interpretation of the mathematical formula can be written here..

Conclusion

The conclusion should present the answers to the research hypothesis and/or objectives, or the scientific findings obtained. It should not be a repetition of the results and discussion, but rather a summary of the key findings as they relate to the stated objectives or hypotheses. If necessary, the conclusion may also include suggestions for future research or follow-up actions based on the ideas developed in the study.

References

All references cited in the text must be listed in the bibliography section. The bibliography should consist of references from primary sources (scientific journals), comprising at least 80% of the total references, and must be published within the last five (5) years. Each article must contain a minimum of 15 references published within the last 10 years. The citation style used in the text and the formatting of the bibliography are strongly recommended to be managed using reference management software such as Mendeley, EndNote, Reference Manager, or Zotero. References must follow the APA (American Psychological Association) 6th edition citation style

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Author's name, Article title The research method used in solving the problem, including the method of analysis, must be described in this section. Figure captions should be placed as part of the figure title, not within the figure itself. The methods used to conduct the research must be explained here. Minor and commonly used tools (such as scissors, measuring cups, pencils) that are typically found in laboratories do not need to be mentioned. Only the main instruments or equipment used for analysis and/or characterization should be listed, including their type and level of accuracy where relevant. The research location, number of respondents, methods of processing observational, interview, or questionnaire data, and how performance indicators were measured must all be clearly described. Commonly known methods do not need to be explained in detail but should be referenced appropriately from books or literature. Experimental procedures must be written in declarative (descriptive) sentences, not in imperative (command) form

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