

ABSTRACT

This study aims to examine the effect of corporate governance, profitability and executive's character on tax avoidance in companies listed on the Indonesia Stock Exchange in 2011-2015. The element of corporate governance consist an audit quality, audit committee and executive's compensation as well as the elements of profitability is return on assets and the last variable is an executive's character.

This study use quantitative research design and secondary data from property, real estate, dan building construction companies in the observation period 2011-2015. The samples obtained 25 companies were selected by using purposive sampling. This analysis using Structural Equation Model (SEM) and support by software SmartPLS 2.0, the result of this study indicate that corporate governance and executive's character have positive effect on tax avoidance. While the profitability have negative effect on tax avoidance.

Keywords: tax avoidance, corporate governance, audit quality, audit committee, executive's compensation, profitability, ROA, executive's character.

ABSTRAK

Penelitian ini bertujuan untuk menguji pengaruh *corporate governance*, profitabilitas dan karakter eksekutif terhadap *tax avoidance* di perusahaan yang terdaftar di Bursa Efek Indonesia tahun 2011-2015. Elemen dari *corporate governance* berisi kualitas audit, komite audit dan kompensasi eksekutif, sedangkan profitabilitas berisi *return on assets* dan variabel terakhir adalah karakter eksekutif.

Penelitian ini menggunakan desain penelitian kuantitatif dan data sekunder dari perusahaan *property, real estate dan building construction* dalam periode pengamatan 2011-2015. Sampel yang dibangun adalah 25 perusahaan yang dipilih dengan *purposive sampling*. Analisa ini menggunakan Struktural Equation Model (SEM) dengan bantuan *software SmartPLS 2.0*, hasil penelitian ini menunjukkan bahwa faktor *corporate governance* dan karakter eksekutif berpengaruh positif terhadap penghindaran pajak. Sementara itu, faktor profitabilitas berpengaruh negatif terhadap penghindaran pajak.

Kata kunci: penghindaran pajak, *corporate governance*, kualitas audit, komite audit, kompensasi eksekutif, profitabilitas, ROA, karakter eksekutif.