Al-Kharaj: Journal of Islamic Economic and Business
Volume 8 (2), 2026
P-ISSN: 2686-262X; E-ISSN: 2685-9300

The Role of Corporate Transparency in Moderating the Influence of Fixed Asset Intensity, Leverage, and Profitability on Tax Avoidance in Mining Companies Listed on the Indonesia Stock Exchange from 2020-2024

Dea Ananda Arfianti[1], Beby Hilda Agustin[2], Nur Rahmanti Ratih[3]
[1]Universitas Islam Kadiri Kediri, Indonesia
Email: deaananda@student.uniska-kediri.ac.id

Keywords: *Fixed Asset Intensity, Leverage, Profitability, Tax Avoidance, Tax.*

Abstract

Tax avoidance is an important issue for companies in managing their finances, especially for companies in the mining sub-sector that have flexibility in tax planning. The purpose of this study is to analyze the effect of fixed asset intensity, leverage, and profitability on tax avoidance using the moderating variable of transparency in mining sub-sector companies listed on the Indonesia Stock Exchange from 2020 to 2024. The approach used by the researcher in this study is quantitative panel data regression analysis. The model selected for this study is the Random Effect Model (REM), which has undergone several tests, namely the Chow Test, Hausman Test, and Lagrange Multiplier (LM) Test. In this study, the researcher measures tax avoidance using the Effective Tax Rate (ETR), which reflects the actual tax burden borne by the company. The results show that fixed asset intensity does not affect tax avoidance. Meanwhile, leverage can positively affect tax avoidance, and profitability negatively affects tax avoidance. Tax avoidance can only be moderated by corporate transparency in the relationship between leverage and tax avoidance in a weakening direction, but it cannot moderate the variables of fixed asset intensity and profitability on tax avoidance. This study emphasizes the importance of internal company characteristics and the role of transparency as a governance mechanism in suppressing tax avoidance practices. It is recommended that future researchers add different variables and expand the sample size to obtain more comprehensive results with a higher level of generalization.

INTRODUCTION

Taxes are one of the main components that contribute most significantly to the country's economic development and growth, making them a key focus for the government. Over the past five years, the level of tax revenue collected by the state has fluctuated. In 2020, tax revenue fell to IDR 1,072.11 trillion, a contraction of 19.6%, due to the impact of the Covid-19 pandemic. In 2021, the state's tax revenue increased to IDR 1,278.63 trillion, a growth of 19.3%, and in 2022, it jumped significantly to IDR 1,716.77 trillion, a growth of 34.3%. Furthermore, in 2023, tax revenue was recorded at IDR 1,869.23 trillion with a growth of 8.9% (DJP, 2023). Quoted from GoodStats (2025), in 2024 the realization reached IDR 1,932.4 trillion or 97.2% of the state budget target of IDR 1,921.9 trillion.

The optimization of tax performance in Indonesia is reflected in the tax ratio. The Organization for Economic Co-operation and Development (OECD) describes Indonesia's tax

ratio in recent years as ranging from 10–12% of GDP, which declined sharply in 2020 due to the pandemic, then rose again to around 12% in the 2021–2023 period. However, this achievement is still relatively low when compared to the average tax ratio in Asia-Pacific countries, which is around 19.5% (OECD, 2024).

Tax avoidance practices, although not in violation of tax laws, cause significant losses to the state. Tax avoidance practices in Indonesia are estimated to cause losses of around USD 4.86 billion per year, equivalent to IDR 79.2 trillion, with the majority coming from corporations amounting to USD 4.78 billion or IDR 77.9 trillion (Santoso, 2023). One case allegedly occurred at PT. Adaro Energy Tbk through transfer pricing practices, namely selling coal to affiliates at low prices and reselling it at higher prices, resulting in an estimated USD 125 million reduction in taxes paid in Indonesia and causing domestic taxable income to be lower (DJP, 2020).

One factor that can influence tax avoidance is the intensity of fixed assets (Pradana & Wulandari 2023). Fixed asset intensity describes the proportion of a company's fixed assets to its total assets. An increase in fixed assets implies a larger depreciation expense, which can be used to reduce the company's profits and tax expenses (Alamsjah, 2023). The higher the level of fixed asset intensity, the greater the role of fixed assets in supporting the company's revenue generation process (Liando, 2023). Another factor related to tax avoidance is the level of debt (leverage), which describes the extent to which a company uses debt to finance and carry out its operational activities (Nugraha & Mulyani, 2019). Leverage refers to the use of financial resources by a company. Leverage can be measured by the percentage of a company's total debt to its equity, known as the Debt to Equity Ratio (DER).

Profitability is one of the factors that play a role in determining a company's tendency to engage in tax avoidance. Profitability is defined as a company's ability to generate profits through the management of its assets. The higher the level of profitability, the greater the potential tax burden, which can motivate companies to engage in tax avoidance strategies. The greater the profits earned, the greater the tax burden, which has the potential to reduce the company's net profits (Moeljono, 2020). Tax avoidance practices are generally influenced by tax planning based on company financial statements. In addition, corporate transparency acts as a moderating variable that reflects the openness of financial and non-financial information. High transparency increases scrutiny by investors, tax authorities, and the public, thereby influencing the relationship between a company's financial characteristics and tax avoidance practices.

The Agency Theory proposed by Michael C. Jensen and William H. Meckling (1976) explains the contractual relationship between shareholders (principals) and management (agents). Differences in interests between the two parties and the existence of information asymmetry can

encourage management to act opportunistically, including in taxation policy. Managers can take advantage of the company's financial characteristics, such as fixed asset intensity, leverage, and profitability, to plan taxes in order to reduce the tax burden and increase after-tax profits. This condition shows that decisions related to tax avoidance cannot be separated from conflicts of interest within the company. In addition, the Signaling Theory introduced by Michael Spence (1973) explains that companies send signals to external parties through financial reports and information disclosure. Corporate transparency is a form of positive signaling that demonstrates a commitment to information disclosure and good governance. A high level of transparency can increase scrutiny from investors, creditors, and tax authorities, thereby limiting management's ability to engage in aggressive tax avoidance practices.

Based on research conducted by Jamaludin (2020) concludes that the intensity of fixed assets, leverage, and profitability do not affect tax avoidance in food and beverage companies listed on the Indonesia Stock Exchange during the period 2015–2017. Next, the research conducted by Liando (2023) found that profitability has a positive effect on tax avoidance, while leverage and fixed asset intensity do not show a significant effect on tax avoidance in food and beverage sub-sector companies on the IDX in 2018–2021. Meanwhile Yulianty et al., (2021) The study found that profitability does not affect tax avoidance, while leverage has a positive effect on tax avoidance.

This study is a development of previous research conducted Mariadi (2021) Previous research examined the effect of leverage, profitability, and fixed asset intensity on tax avoidance in manufacturing companies listed on the Indonesia Stock Exchange from 2017 to 2019. The results of the study show that leverage, profitability, and fixed asset intensity have a positive and significant effect on tax avoidance. However, this study adds the moderating variable of corporate transparency. The addition of this variable is based on the consideration that the level of corporate information disclosure plays an important role in increasing oversight from stakeholders and tax authorities, thereby potentially weakening or strengthening the relationship between corporate financial characteristics and tax avoidance practices. This study also changes the focus of its object years to energy companies in the mining sub-sector that are officially listed on the Indonesia Stock Exchange (IDX) data for the period 2020 to 2024.

RESEARCH METHOD

Tax Avoidance (Y)

Tax avoidance is a strategy used by companies to reduce their tax burden while still complying with applicable laws and regulations. In this study, tax avoidance is measured by the

effective tax rate (ETR), which provides an overview of the income tax burden paid by companies from their pre-tax profits (Arifah Fibri Andriani & Sinabutar, 2020).

$$\textbf{ETR} \quad \frac{\textbf{Income Tax Burden}}{\textbf{Profit Before Tax}} \quad \textbf{x 100\%}$$

Fixed Asset Intensity

Fixed asset intensity is a ratio that describes the proportion of fixed assets compared to the total assets owned by a company. Fixed asset intensity shows the amount of capital invested by a company in fixed assets, which is measured by comparing the value of fixed assets and the company's sales (Robot et al., 2022). In this study, Fixed Asset Intensity is measured using the following formula:

$$\textbf{CAR} \quad \frac{\textbf{Total Fixed Assets}}{\textbf{Total Company Assets}}$$

H1 : The intensity of fixed assets affects tax avoidance

Leverage

Ross, Westerfield, et al., (2018) defining leverage as a ratio that reflects the level of liabilities held by a company. Meanwhile, Kasmir (2019) leverage is a ratio that shows the extent to which a company's assets are financed by debt. The measurement of leverage in this study was conducted by comparing total debt to total company assets, known as the Debt to Asset Ratio (DAR).

$$\textbf{DAR} \quad \frac{\textbf{Total Debt}}{\textbf{Total Company Assets}}$$

H2 : Leverage affects tax avoidance

Profitability

Profitability is a ratio used to assess a company's ability to generate profits from sales, equity, or assets through specific measurement methods (Omposunggu, 2021). The formula used to calculate profitability is as follows :

$$\textbf{ROA} \quad \frac{\textbf{Net Profit}}{\textbf{Total Company Assets}}$$

H3 : Profitability affects tax avoidance

Corporate Transparency

Transparency is one of the important principles in corporate governance because it requires the disclosure of information that is open, accurate, and accountable to stakeholders. Such disclosure of information is based on the rights of investors, creditors, and other interested parties

to obtain clear and adequate information regarding the financial condition and resource management activities of the company. In this study, transparency is measured using the following formula :

$$\text{Transparency} \quad \frac{n}{k}$$

Description :

n : number of voluntary disclosures that the company has fulfilled

k : total number of expected disclosure items

H4 : Corporate Transparency Can Moderate the Intensity of Fixed Assets on Tax Avoidance

H5 : Corporate Transparency Can Moderate Leverage on Tax Avoidance

H6 : Corporate Transparency Can Moderate Fixed Profitability Against Tax Avoidance

This study uses a quantitative approach because it is capable of producing objective measurements and numerical data processing is carried out through statistical analysis. The data collection technique used was documentation, namely by accessing and processing the 2020-2024 annual reports of mining sub-sector companies obtained from the official website of the Indonesia Stock Exchange (IDX). The research design used was comparative causal, which aimed to analyze the cause-and-effect relationship between variables and to test the formulated hypothesis.

The population in this study was mining sub-sector companies listed on the Indonesia Stock Exchange (IDX) during the period 2020-2024, totaling 57 companies. The sample in this study was part of the mining sub-sector companies listed on the Indonesia Stock Exchange (IDX) during the period 2020-2024, totaling 24 companies. The sampling technique used in this study was purposive sampling. According to Sugiyono (2021:133), Purposive sampling is a technique for determining samples based on specific considerations. Based on the population and sample described above, the research sample is determined based on the following criteria:

Table 1. Sample Selection Criteria

No	Information	Total
1	Mining sub-sector companies listed on the Indonesia Stock Exchange for the period 2020–2024.	57
2	Companies that have submitted complete annual financial reports and have been audited by	51

	independent auditors during the research period of 2020–2024.	
3	Companies that did not incur losses and earned profits during the research period of 2020–2024.	24
4	Annual reports of companies that provide the data needed to measure all research variables.	24
Number of companies sampled for research		24 x 5 years
Number of companies sampled during the research period		120

Source : Secondary data 2026.

This study applies panel data regression analysis using the Random Effects Model (REM) approach, which was selected based on the results of the Chow Test, Hausman Test, and Lagrange Multiplier (LM) Test. After determining the best model to use in the study, descriptive analysis and classical assumption testing (if necessary) were conducted, followed by multiple linear regression to test the hypotheses partially (T-test) and simultaneously (F-test). A total of 120 company samples were analyzed in this study. Data processing was carried out using Microsoft Excel and Econometric Views software version 13 (EViews 13).

RESULTS AND DISCUSSION

RESULTS

Model Selection Test

This study uses three panel data regression approaches, namely the Common Effect Model (CEM), Fixed Effect Model (FEM), and Random Effect Model (REM) to determine the most appropriate model to use in this study. The analysis technique applied was panel data linear regression analysis with moderation testing to analyze the effect of fixed asset intensity, leverage, and profitability on tax avoidance with corporate transparency as a moderating variable. The linear regression equation with the moderation model used in this study is as follows :

$$\textbf{Model 1 } (\boldsymbol{TA}) = \boldsymbol{\alpha} + \boldsymbol{\beta_1 X_1} + \boldsymbol{\beta_2 X_2} + \boldsymbol{\beta_3 X_3} + \boldsymbol{\varepsilon}$$

$$\textbf{Model 2 } (\boldsymbol{TA}) = \boldsymbol{\alpha} + \boldsymbol{\beta_1 X_1} + \boldsymbol{\beta_2 X_2} + \boldsymbol{\beta_3 X_3} + \boldsymbol{\beta_4 (X_1\, x\, Z)} + \boldsymbol{\beta_5 (X_2\, x\, Z)} + \boldsymbol{\beta_6 (X_3\, x\, Z)} + \boldsymbol{\varepsilon}$$

Description :

TA = Tax Avoidance
α = Constant
$\beta_1 - \beta_6$ = Regression Coefficient
X_1 = Fixed Asset Intensity (CAR)
X_2 = Leverage (DAR)

X_3 = Profitability (ROA)
Z = Corporate Transparency
ε = Error Term

Hasil Uji Deskriptif

Table 2. Descriptive Statistics

	N	MIN	MAX	Mean	Std. Devisiasi
CAR	120	1,00E-06	0,802399	0,256548	0,240825
DAR	120	0,028758	1,074673	0,385634	0,206915
ROA	120	0,001141	0,6163464	0,138202	0,143795
Transparansi Perusahaan	120	0,000000	1,000000	0,925000	0,264496
ETR	120	0,002695	1,529125	0,256381	0,191922

Source: Data processed in 2026, EViews 13.

Fixed Asset Intensity (CAR)

The results of descriptive statistical analysis show that the CAR variable has a maximum value of 0.802399 and a minimum value of 1.00E-06, an average value of 0.256548, and a standard deviation of 0.240825. Therefore, it can be concluded that the average value of the company's fixed asset intensity is 25.65%, which indicates that the proportion of the company's fixed assets is relatively moderate.

Leverage (DAR)

The DAR variable has a minimum value of 0.028758, a maximum value of 1.074673, an average value of 0.385634, and a standard deviation of 0.206915. This indicates an average leverage of 38.56%, which means that the company's debt usage is moderate, and a standard deviation that is smaller than the average indicates that the data distribution is relatively stable.

Profitability (ROA)

The ROA value ranges from a low of 0.001141 to a high of 0.6163464, with an average value of 0.138202 and a standard deviation of 0.143795. With an average value of 13.82% and a standard deviation close to the mean, this indicates that the variation in profitability between companies is quite high.

Corporate Transparency

Corporate transparency as a moderating variable has a maximum value of 1 and an average value of 0.925, indicating that most companies have a high level of transparency.

Tax Avoidance (ETR)

The ETR variable has a highest value of 1.529125, a lowest value of 0.002695, an average value of 0.256381, and a standard deviation of 0.191922. In general, a smaller standard deviation or one that is close to the average value indicates that the data is still within reasonable limits.

Chow Test Results

Table 3. Chow Test

Effects Test	Statistic	d.f.	Prob.
Cross-section F	2.316215	(23,92)	0.0026
Cross-section Chi-square	54.819095	23	0.0002

Source: Data processed in 2026, EViews 13.

In panel data analysis, a chow test was conducted to compare the suitability of the Common Effect Model (CEM) and Fixed Effect Model (FEM) in order to determine the most appropriate model to use in the study. The chow test produced a Chi-square value of 54.819095 (p-value = 0.0002) and an F-statistic of 2.316215 (p-value = 0.0026). Therefore, based on the results of the chow test, the Fixed Effect Model (FEM) was selected as the most appropriate model to use in the study because the p-value was less than the significance value of 0.05.

Hausman Test Results

Table 4. Hausman Test

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	3.508165	4	0.4766

Source: Data processed in 2026, EViews 13.

The Hausman test was conducted to determine the most appropriate model between the Random Effect Model (REM) and Fixed Effect Model (FEM) in panel data analysis. The test results show a Chi-square value of 3.508165 with four degrees of freedom and a significance value greater than 0.05, namely 0.4766. Thus, it can be concluded that the Random Effect Model (REM) is considered better for analysis in this study.

Lagrange Multiplier Test Results

Table 5. Lagrange Multiplier Test

Test Hypothesis

	Cross-section	Time	Both
Breusch-Pagan	7.661569 (0.0056)	1.291832 (0.2557)	8.953401 (0.0028)

Source: Data processed in 2026, EViews 13.

Multiple Lagrange tests using the Breusch-Pagan method were conducted to determine whether the Random Effect Model (REM) was more appropriate than the Common Effect Model (CEM) used in panel data analysis. The test results showed a p-value for cross-section of 0.0056 and a probability value of 0.0028, which means that both are below the significance value of 0.05. This indicates that the Random Effect Model (REM) is the best model to use in this study.

Hypothesis Test

T Test

Table 6. Model 1 T-test

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.229543	0.062272	3.686125	0.0003
CAR	-0.193943	0.091171	-2.127251	0.0355
DAR	0.296617	0.100836	2.941567	0.0039
ROA	-0.273461	0.125338	-2.181798	0.0311

Source: Data processed in 2026, EViews 13.

Table 7. Model 2 T-test with moderation (MRA)

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.150369	0.160474	0.937032	0.3508
CAR	-0.413649	0.769955	-0.537237	0.5922
DAR	1.034662	0.194204	5.327712	0.0000
ROA	-0.803152	0.715169	-1.123023	0.2638
TP	0.074654	0.168683	0.442569	0.6589
M1	0.288887	0.772352	0.374035	0.7091
M2	-0.823318	0.200576	-4.104761	0.0001
M3	0.589609	0.720782	0.818013	0.4151

Source: Data processed in 2026, EViews 13.

Based on the t-test results in Model 1 and Model 2, the following regression equations were obtained:

Model 1 : ETR = 0.229543 - 0.193942 (CAR) + 0.296617 (DAR) - 0.273461 (ROA)

Model 2 : ETR = 0.150369 - 0.413648 (CAR) + 1.034661 (DAR) - 0.803151 (ROA) +

0.074654 (TP) + 0.288886 (M1) - 0.823318 (M2) + 0.589609 (M3)

In Model 1, fixed asset intensity and profitability have a significant negative effect on tax avoidance because they have a significance value < 0.05 with a negative coefficient. Meanwhile, leverage shows a positive and significant effect on tax avoidance because it has a probability value < 0.05 with a positive coefficient. In Model 2, testing the moderating variable of corporate transparency shows that the interaction between corporate transparency and fixed asset intensity and profitability does not have a significant effect, because the probability value exceeds 0.05. This indicates that corporate transparency is unable to moderate the relationship between these two variables and tax avoidance. However, the interaction between leverage and corporate transparency has a coefficient of -0.823318 with a probability value of 0.0001 (< 0.05), which indicates a negative and significant effect. This indicates that corporate transparency only moderates in the direction of weakening the relationship between leverage and tax avoidance.

F Test

Table 8. Model 1 F test

S.E. of regression	0.150437	Mean dependent var	0.165192
F-statistic	7.891408	S.D. dependent var	0.162982
Prob(F-statistic)	0.000078	Sum squared resid	2.625245
		Durbin-Watson stat	1.660025

Source: Data processed in 2026, EViews 13.

Table 9. Model 2 F test with moderation

S.E. of regression	0.121260	Mean dependent var	0.119665
F-statistic	10.70532	S.D. dependent var	0.151981
Prob(F-statistic)	0.000000	Sum squared resid	1.646836
		Durbin-Watson stat	1.820147

Source: Data processed in 2026, EViews 13.

The F test or simultaneous test is conducted to test whether the independent and dependent variables have a simultaneous effect. The F test results from models 1 and 2 show probability values of 0.000078 and 0.000000, respectively, both of which are less than the significance value of 0.05. Thus, it can be concluded that the intensity of fixed assets, leverage, and profitability simultaneously have a significant effect on tax avoidance.

Testing the Coefficient of Determination (R^2)

Table 10. Determination Coefficient Test (R^2) Model 1

R-squared	0.169496	Mean dependent var	0.165192
Adjusted R-squared	0.148017	S.D. dependent var	0.162982
		Sum squared resid	2.625245
		Durbin-Watson stat	1.660025

Source: Data processed in 2026, EViews 13.

Table 11. Determination Coefficient Test (R2) Model 2 with moderation

R-squared	0.400868	Mean dependent var	0.119665
Adjusted R-squared	0.363423	S.D. dependent var	0.151981
		Sum squared resid	1.646836
		Durbin-Watson stat	1.820147

Source: Data processed in 2026, EViews 13.

The Adjusted R square value shown by model 1 is 0.148017 and model 2 is 0.363423. This indicates that the independent variables in model 1 are able to explain 14.8% of tax avoidance, while the remaining 85.2% is explained by other variables outside the variables studied. The Adjusted R square value in model 2 shows the effect of fixed asset intensity, leverage, and profitability with corporate transparency as a moderating variable on tax avoidance, which is 36.3%, with the remaining 63.7% explained by other variables outside the model.

DISCUSSION

The Effect of Fixed Asset Intensity on Tax Avoidance

This study found that fixed asset intensity has a significant effect on tax avoidance, with the presence or absence of fixed asset intensity in a company being one of the determinants of tax avoidance decisions. The intensity of a company's fixed assets is considered to reduce the amount of tax paid due to the depreciation expense on fixed assets. This study is supported by previous research conducted by Hakim & Haq (2025) , which explains that the intensity of fixed assets has a significant effect on tax avoidance. The conclusion of this study is to accept H1.

The Effect of Leverage on Tax Avoidance

The results of the study prove that leverage has a significant effect on tax avoidance practices carried out by companies. The proportion of a company's debt level can incur interest expenses that can be used to reduce taxable income. Interest expenses are a component of costs that are fiscally allowed to reduce pre-tax profits, thereby reducing the amount of tax payable. These findings support the research conducted by Yulianty et al. (2021) , which concluded that leverage has a positive effect on tax avoidance. Thus, the higher a company's leverage ratio, the

greater the opportunity for the company to optimize its tax reduction. The conclusion of this study is to accept H2.

The Effect of Profitability on Tax Avoidance

This study found that profitability is significantly negatively correlated with the level of tax avoidance. This negative relationship indicates that the higher a company's profitability, the lower its tax avoidance practices. Companies that are able to generate optimal profits through the utilization of their assets tend to show good financial performance and fulfill their tax obligations. Thus, companies with high profit levels will engage in fewer tax avoidance practices, which is in line with the research conducted by Dayani & Suryandari (2022) and Gibrillia & Sudirgo (2023) , which found that profitability has a significant negative effect on tax avoidance. The conclusion of this study is to accept H3.

Corporate Transparency Moderates the Effect of Fixed Asset Intensity on Tax Avoidance

The corporate transparency variable in this study shows that it cannot moderate the relationship between fixed asset intensity and tax avoidance. The M1 variable is a multiplication interaction between the fixed asset intensity variable and the transparency moderation variable. The results of the tests conducted show a significance value of more than 0.05. This value indicates that the interaction produced is not statistically significant, so that corporate transparency does not strengthen or weaken the relationship between the independent and dependent variables. Thus, the level of corporate transparency does not change the relationship between fixed asset intensity and tax avoidance practices. This is in line with the research conducted by Rosa et al. (2022) that corporate transparency cannot moderate the relationship between fixed asset intensity and tax avoidance. Therefore, the results of the study show that H3 is rejected.

Corporate Transparency Moderates the Effect of Leverage on Tax Avoidance

The results of this study prove that corporate transparency has the ability to moderate the influence of leverage on tax avoidance. This is evidenced by the results of the MRA test, which shows a significance value of less than 0.05 and a negative value resulting from the coefficient. The study indicates that corporate transparency acts as a moderating variable that weakens the influence of leverage on tax avoidance. In other words, good transparency can control or suppress the tendency of companies to engage in tax avoidance even if they have high leverage. In line with the research conducted by Novarianto & Dwimulyani (2019) and Suripto (2020) , the results of this study show that leverage and tax avoidance can be moderated by corporate transparency. This can occur because companies that implement high transparency generally convey complete, accurate, and reliable information to stakeholders. In addition, an increase in leverage accompanied by good

transparency can encourage companies to be more cautious in making tax decisions, because companies with high debt levels are also under the supervision of creditors. Thus, H5 in this study is accepted.

Corporate Transparency Moderates the Effect of Profitability on Tax Avoidance

The role of transparency in moderating the relationship between profitability and tax avoidance shows a significance value of more than (> 0.05), indicating that corporate transparency cannot moderate the relationship between profitability and tax avoidance. Meanwhile, research conducted by Rosa et al. (2022) found that corporate transparency can moderate the profitability variable (ROA) on tax avoidance with the direction of the relationship strengthening the independent and dependent variables. It can be concluded in this study that the level of information disclosure possessed by companies does not change the relationship between a company's ability to generate profits (profitability) and its tendency to engage in tax avoidance practices. This means that the level of profitability still has its own relationship pattern with tax avoidance without being influenced by the level of corporate transparency. Thus, the results of this study show that even though companies present information openly and adequately, this does not necessarily influence management decisions regarding taxation policies related to profitability levels. Therefore, the results of this study reject H6.

CONCLUSION

The purpose of this study is to analyze the effect of fixed asset intensity, leverage, and profitability on tax avoidance with corporate transparency as a moderating variable. This study uses a quantitative approach and a random effects model (REM) panel data regression model, which takes data from companies in the mining sub-sector listed on the Indonesia Stock Exchange (IDX) with five research periods from 2020 to 2024. This study shows that fixed asset intensity does not affect tax avoidance. This indicates that changes in fixed asset intensity during the research period did not influence companies to engage in tax avoidance practices. Meanwhile, leverage (DER) was found to have a significant positive effect on tax avoidance. This study indicates that companies tend to engage in tax avoidance when their leverage level is high. Furthermore, profitability (ROA) shows a significant negative effect on tax avoidance. This means that profitability shows a reverse direction to tax avoidance practices. This study indicates that a high level of profitability shows a low tendency for companies in the mining sub-sector in the 2020–2024 period to engage in tax avoidance practices. In testing the moderating variable, transparency was unable to strengthen or weaken the relationship between fixed asset intensity and profitability on tax avoidance. However, corporate transparency was found to moderate the

relationship between leverage and tax avoidance. The direction of the moderation was weakening, meaning that good transparency can control or suppress the positive influence of leverage on tax avoidance practices. In other words, even if a company has a high level of leverage, an adequate level of transparency can reduce the company's tendency to engage in tax avoidance.

Overall, this study contributes to the literature on taxation and corporate governance by emphasizing the importance of internal corporate factors, namely fixed asset intensity, leverage, and profitability, in influencing tax avoidance practices. In addition, the study highlights the role of corporate transparency as a governance mechanism that can moderate the relationship between corporate financial characteristics and tax avoidance. This research can be used as a reference for policymakers and tax authorities in formulating regulations that focus primarily on corporate financial indicators, strengthening transparency and corporate management systems in an effort to curb tax avoidance practices.

This study uses mining sub-sector companies with a research period of 2020-2024, so the population is limited to one type of company and the research results cannot be generalized. Recommendations for further research include adding or using different samples with a longer research period in order to generalize the research results. It is also hoped that future researchers will update the research literature review using different variables in order to obtain more accurate results regarding tax avoidance.

REFERENCES

Alamsjah. (2023). Pengaruh Intensitas Aset Tetap Terhadap Tax Avoidance Dimoderasi Ukuran Perusahaan. *Jurnal Ekonomi & Ekonomi Syariah*, *6*(1), 941–949. https://stiealwashliyahsibolga.ac.id/jurnal/index.php/jesya/article/view/1056/569

Arifah Fibri Andriani, & Sinabutar, G. P. R. (2020). Pengaruh Tingkat Pajak Efektif Perusahaan Terhadap Pemberhentian Direktur Utama. *Scientax*, *2*(1), 76–99. https://doi.org/10.52869/st.v2i1.48

Dayani, L., & Suryandari, D. (2022). TAX AVOIDANCE PADA PERUSAHAAN SEKTOR PERTAMBANGAN DI INDONESIA. *IJAB Indonesian Journal of Accounting and Business*, *4*(1), 1–15. https://doi.org/10.33019/ijab.v4i1.41

DJP. (2023). *Statistik Penerimaan Pajak tahun 2023 dalam Angka*. https://www.pajak.go.id/index.php/id/artikel/statistik-penerimaan-pajak-tahun-2023-dalam-angka

D. Yupriana, Sri Luayyi, N. Ratih. (2017). Pengaruh Asimetri Informsi, Luas Pengungkapan Sukarela Dan Beta Pasar Terhadap Cost of Equity Capital Pada Perusahaan Makanan

Dan Minuman Yang Terdaftar Di Bursa Efek Indonesia. *Journal of Chemical Information and Modeling*

E. Dwi, K. Fauziyah, B. Hilda et al. (2022). Pengaruh Struktur Aktiva Dan Profitabilitas Terhadap Kebijakan Hutang (Studi Pada Perusahaan Food And Beverage Yang Terdaftar Di Bei Periode 2013-2015).

F. Anantaprima, S. Surifah. (2025). The Effect of Inventory Intensity, Institutional Ownership, and Capital Intensity on Tax Avoidance (Study on Non-Cyclical Consumer Sector Multinational Companies Listed on the IDX for the 2019-2023 Period). *Al Kharaj: Journal of Islamic Economic and Business*

Gibrillia, A., & Sudirgo, T. (2023). Pengaruh Profitabilitas, Leverage, Dan Firm Size Terhadap Tax Avoidance. *Jurnal Paradigma Akuntansi*, *5*(4), 2054–2062. https://doi.org/10.24912/jpa.v5i4.26662

GoodStats. (2025). *Data target realisasi penerimaan pajak 5 tahun terakhir*. https://goodstats.id/article/data-target-dan-realisasi-penerimaan-pajak-5-tahun-terakhir-gbXUX

Hakim, D. H., & Haq, A. (2025). Pengaruh Intensitas Aset Tetap, Thin Capitalization, dan Konservatisme Akuntansi Terhadap Tax Avoidance. *El-Mal: Jurnal Kajian Ekonomi & Bisnis Islam*, *6*(10), 128–143. https://doi.org/10.47467/elmal.v6i10.9158

Jamaludin, A. (2020). Pengaruh Profitabilitas (ROA), Leverage (LTDER) Dan Intensitas Aktiva Tetap Terhadap Penghindaran Pajak (Tax Avoidance) Pada Perusahaan Subsektor Makanan Dan Minuman Yang Terdaftar Di BEI Periode 2015-2017. *Eqien: Jurnal Ekonomi Dan Bisnis*, *7*(1), 85–92. https://doi.org/10.34308/eqien.v7i1.120

Kasmir, Dr. (2019). *Analisis Laporan Keuangan* (Edisi Revi). Raja Grafindo Persada.

Liando, D. N. (2023). Analisis Pengaruh Profitabilitas, Leverage, Intensitas Aset Tetap Terhadap Penghindaran Pajak Pada Perusahaan Subsektor Makanan Dan Minuman Tahun 2018-2021. *Jurnal EMBA*, *11*.

Mariadi, M. D. (2021). *Pengaruh Leverage, Profitabilitas, Dan Intensitas Aset Tetap Terhadap Tax Advoidance*. *13*.

Moeljono, M. (2020). Faktor-Faktor yang Mempengaruhi Penghindaran Pajak. *Jurnal Penelitan Ekonomi Dan Bisnis*, *5*(1), 103–121. https://doi.org/10.33633/jpeb.v5i1.2645

Novarianto, A., & Dwimulyani, S. (2019). Pengaruh Penghindaran Pajak Dan Leverage. *Jimea*, *6*(3), 3000–3010.

Nugraha, M. I., & Mulyani, S. D. (2019). Peran Leverage Sebagai Pemediasi Pengaruh Karakter Eksekutif, Kompensasi Eksekutif, Capital Intensity, Dan Sales Growth

Terhadap Tax Avoidance. *Jurnal Akuntansi Trisakti*, *6*(2), 301–324. https://doi.org/10.25105/jat.v6i2.5575

OECD. (2024). Survei Ekonomi OECD Indonesia Ikhtisar. In *Oecd* (Number November).

Omposunggu, H. (2021). *Manajemen Keuangan* (S. Wage, Ed.). CV. Batam Publisher.

Pradana, F. A., & Wulandari, S. (2023). Fenomena Praktik Penghindaran Pajak Saat Pandemi Covid-19 Pada Perusahaan Property Dan Real Estate. *Jurnal Akuntansi Dan Keuangan*, *11*(1), 21. https://doi.org/10.29103/jak.v11i1.9500

Robot, C. Y. C., Sondakh, J. J., & Mintalangi, S. S. E. (2022). Pengaruh Capital Intensity, Ukuran Perusahaan, dan Sales Growth Terhadap Tax Avoidance (Studi Pada Perusahaan Makanan dan Minuman yang terdaftar di Bursa Efek Indonesia Tahun 2017-2020). *Going Concern: Jurnal Riset Akuntansi*, *17*(1), 23–33. https://ejournal.unsrat.ac.id/index.php/gc/article/view/40269

Rosa, H. F., Hartono, A., & Ulfah, I. F. (2022). Pengaruh Return on Asset (Roa), Leverage, Dan Intensitas Modal Terhadap Penghindaran Pajak (Tax Avoidance). *Jurnal Ekonomi Syariah Darussalam*, *3*(1), 18–33. https://doi.org/10.30739/jesdar.v3i1.1146

Ross, S. A., Westerfield, R. W., & Jordan, B. D. (2018). Fundamentals of Corporate Finance. In *Fundamentals of Corporate Finance*. https://doi.org/10.12737/textbook_5b742ef92eda62.57813862

Suripto, S. (2020). Transparansi Perusahaan Memoderasi Pengaruh Tax Avoidance Dan Leverage Terhadap Nilai Perusahaan Manufaktur Di Bursa Efek Indonesia. *Jurnal Revenue : Jurnal Ilmiah Akuntansi*, *1*(1), 101–111. https://doi.org/10.46306/rev.v1i1.10

Yulianty, A., Ermania Khrisnatika, M., & Firmansyah, A. (2021). Penghindaran Pajak Pada Perusahaan Pertambangan Di Indonesia: Profitabilitas, Tata Kelola Perusahaan, Intensitas Persediaan, Leverage. *JURNAL PAJAK INDONESIA (Indonesian Tax Review)*, *5*(1), 1–19. https://doi.org/10.31092/jpi.v5i1.1201