

*Master Thesis
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***ANALYSIS THE EFFECT OF GOOD CORPORATE GOVERNANCE AND
AUDIT QUALITY ON TAX AVOIDANCE IN COMPANIES LISTED ON
INDONESIA STOCK EXCHANGE***

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Abstract

This study aimed to investigate the effect of good corporate governance and audit quality on tax avoidance. The corporate governance variables used in this research are independent commissioner, women on board, board size, institutional ownership, managerial ownership, and audit quality. Control variables also used in this study is firm size and debt ratio.

Samples used in this study are 251 companies listed in the Indonesia Stock Exchange in periode 2012-2016 and were selected by purposive sampling method. The data used in this study was obtained from the financial statements of each company published in the Indonesia Stock Exchange (www.idx.co.id). The data obtained will be tested by using SPSS version 22.0 with binary logistic regression method.

The result showed that variables of independent commissioner, institutional ownership, managerial ownership, and audit quality have significant relationship with the probability of tax avoidance. Another two control variables in this study also had a significant relationship on the tax avoidance. Variables like women on board and board size have no influence with the probability of tax avoidance.

Keywords: *corporate governance, audit quality, tax avoidance.*