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The Gender Diversity Executive, Thin Capitalization, Capital Intensity on Tax Avoidance and Firm Value

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Abstract

Introduction/ Main Objectives: *The purpose of this study is to ascertain how executive gender diversity, thin capitalization, and capital intensity affect tax evasion and firm value.* ***Background Problems:*** *The main source of income for the Indonesian government, which is used for national development, is taxes. Taxes, however, can be a cost that lowers business profitability because they fluctuate by a company's performance.* ***Research Methods:*** *Quantitative research methodology is employed. Purposive sampling was used in this study to select a sample of manufacturing firms in the food and beverage subsector that were listed on the Indonesia Stock Exchange between 2018 and 2021. 43 businesses provided samples. Using SPSS 26 as the analysis tool, multiple linear regression was used for this study.* ***Findings / Results:*** *The findings indicate that whereas thin capitalization and capital intensity have a substantial impact on tax avoidance, gender diversity has no influence. Thin capitalization and capital intensity have a significant effect on firm value, while gender diversity in the executive has no effect.* ***Conclusion:*** *The research implies that management should take them into account when carrying out legal tax avoidance strategies and that financial managers should pay attention to non-financial factors that could affect a company's worth.*

Keywords: Capital intensity; Firm value; Gender diversity executive; Tax avoidance; Thin capitalization

JEL Classification: M40; G1

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INTRODUCTION

The main source of income for the Indonesian government, which is used for national development, is taxes. Taxes, however, can be a cost that lowers business profitability because they fluctuate by a company's performance. As a result, firms frequently use tactics like tax evasion to reduce their tax liabilities (Valensia & Khairani, 2019). Tax avoidance is the term for legitimate or potentially illegal attempts to reduce the amount of tax due, frequently taking advantage of gaps in the tax code (Reinaldo, 2017).

The manufacturing industry, which contributes significantly to Indonesia's tax income, has a big influence on the economy of the nation. This industry is anticipated to produce about 29.4% of all tax revenue by October 2022. Manufacturing plays a significant role in the contemporary technological era by generating the raw ingredients for diverse products. Businesses use a range of tactics to turn a profit in a cutthroat market, always looking to deliver superior goods for increased revenues. The primary objective of business formation is to maximize company value since it influences investor confidence and share prices, which show present performance and potential for growth (Lisyanti & Ukhriyawati, 2017). High business value is a sign of success and can affect how the market views the prospects and performance of a firm. A corporation is seen as successful if its share price is high (Zulfiara & Ismanto, 2019).

Tax avoidance is one of the factors that affects the company's worth. One technique is to control profits within a corporation and reduce the tax burden. Tax evasion is done to improve a company's value and make management performance appear strong to investors (Valensia & Khairani, 2019). The company's value will be lower if tax avoidance is more prevalent, there is a greater chance of it being discovered, and there are additional costs involved, such as giving up time and effort to do it (Septian et al., 2019).

According to Silaban & Siagian (2020), tax avoidance refers to the reduction of taxes within the bounds of the law, which, if improperly regulated, can result in fines. According to Winasis et al. (2017), gender diversity has an impact on company decision-making, particularly in taxation, with more diversity raising the possibility of tax avoidance. While Sjahputra & Sujarwo (2022) contend that executive gender diversity has a major detrimental effect on tax evasion, Leris et al. (2020) observe that executive gender diversity hurts tax avoidance.

The second aspect that affects tax evasion is thin capitalization, which entails employing more equity capital to finance several branches or subsidiaries with interest. By reclassifying interest payments as fiscal costs, more thin capitalization makes it more likely that corporations will evade paying taxes in their home nations. According to Waluyo & Doktoralina (2018), thin capitalization is one way Indonesia tries to lower company tax burdens. While Nirmalasari & Susilowati (2021) contend narrow capitalization has no impact, Noor & Sari (2021) find a beneficial impact of thin capitalization on tax avoidance.

Capital intensity, which is frequently correlated with the quantity of fixed assets, is the third element that affects tax avoidance (Palalangan et al., 2022). As a result, the corporation might reduce its annual tax payment. The pre-tax profit of a corporation decreases as total fixed assets increase (Andhari & Sukartha, 2019). This means that, compared to businesses with low asset values, the tax burden that must be paid each year is lower the higher the value of the company's fixed assets. Accordingly, the number of fixed assets a company has an impact on the taxes it pays; the higher the value of fixed assets, the lower the annual tax burden would be (Sinaga & Sukartha, 2018). According to the study's findings (Safitri &

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Irawati, 2021), capital intensity has a limited impact on tax evasion. While the study's findings (Rahma et al., 2022) reveal that capital intensity has a favorable and significant impact on tax avoidance, they are inversely proportionate to those findings.

Due to the COVID-19 epidemic, Indonesia experienced its second-hardest year in 2021. The state budget's aim of IDR 1,229.6 trillion was surpassed by tax income, which totaled IDR 1,231.87 trillion. 138 tax service offices (KPP) and seven regional offices (Kanwil) of the Directorate General of Taxes (DGT) exceeded their objectives despite the epidemic. The contribution of taxpayers and the commitment of more than 46,000 DGT employees were credited with this success. The state budget deficit exceeding 3% of GDP is only permitted until 2022, and COVID-19 ambiguity still exists, so difficulties lie ahead. To lower the deficit to below 3% of GDP by 2023, higher public revenues are required. To prepare for 2022, DGT intends to evaluate 2021 events and performance, preserving effective methods and improving ineffective ones (Antara et al., n.d.).

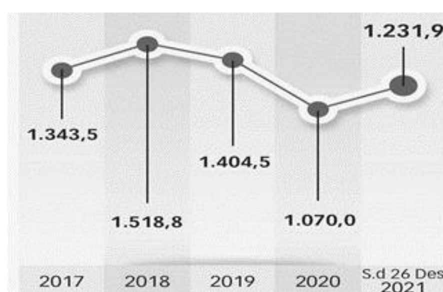

Figure 1 Realization of Tax

The worth of a firm can change for a variety of reasons, including its association with executives who represent a variety of genders and who can have an impact on risky choices. A company's level of risk exposure is influenced by the risk tolerance of its executives. Risk-taking CEOs can handle a variety of scenarios with ease and use debt financing to expand their companies, whereas risk-averse leaders take their time making judgments (Sjahputra & Sujarwo, 2022). A company's worth is increased by gender-diverse leadership by bringing new views to bear on issues. Research by Winasis et al. (2017) and Sjahputra & Sujarwo (2022) confirms that gender diversity in executive posts has a significant impact on corporate value. A gender-diverse executive team, according to Ziaul Haq & Suryani (2021), has no impact on a company's worth.

Thin capitalization, a technique to lower corporate tax responsibilities by making the debt structure much larger than the company's debt capital structure, is the next element influencing business value (Prastiwi & Ratnasari, 2019). Because interest costs can be written off as a tax deduction under tax regulations, thin capitalization happens. A high rate of return will therefore entice potential investors, which will impact the company's value. In contrast to the study (Anah, 2022), which claims that thin capitalization has no impact on firm value, research from (Rosa et al., 2018) indicates that thin capitalization has an impact on firm value.

The third factor that affects business value is capital intensity. The capital intensity of a corporation is the amount invested in its fixed assets. According to Wiguna & Jati (2017), capital intensity is the extent to which a corporation spends its wealth on fixed assets. The high level of investor interest will have an impact on the company's worth. Increased executive independence will save agency costs because the principal won't have to spend as much on oversight. According to Winasis et al. (2017), this decline may raise shareholder satisfaction, which will raise the company's value. based on Natali & Herawaty (2020) earlier study. The value of the firm is positively impacted by capital intensity. However, experts (Supia et al., 2021) showed that the impact of capital intensity on business value is negligible and insignificant.

By including this independent variable, this analysis builds on earlier work by Ramdhania et al. (2020) and Nirmalasari & Susilowati (2021) to examine the impact of capital intensity on tax evasion and firm value. It concentrates on manufacturing businesses in the food and beverage sector, a key driver of Indonesia's economic expansion (Perindrustian, 2022). To better understand how executive gender diversity, capital intensity, and thin capitalization affect tax evasion and business value, the study will collect empirical data. The results might help scholars understand the factors that influence tax evasion and corporate value and provide useful information for creditors, investors, and future academics looking into related issue

METHOD

In this study, secondary data types in the form of annual financial reports that were collected from the Indonesia Stock Exchange's official website were used for quantitative research. (*PT Bursa Efek Indonesia*, 2022). Population: 43 businesses will use food and beverage companies listed on the IDX between 2018 and 2021. The non-probability sampling method with a purposive sample strategy employed in this study meets the following requirements:

Table 1. Sampling Process

Criteria	Amount
Food and beverage companies listed on the IDX in 2018-2021	43
1. Food and beverage manufacturers who will not release financial reports between 2018 and 2021	(17)
2. Food and beverage businesses that did not use the rupiah in their 2018–2021 financial reports	(0)
3. Producers of food and beverages that did not experience losses throughout the monitoring period of 2018–2021	(10)
Research Sample	16
Total Observational Data (16 x 4 Period)	64
Abnormal data	(11)
Total Number of Observational Data	53

Source: data processed

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Tax avoidance and firm value are the dependent variables in this study. Thin capitalization, capital intensity, and gender diversity are the independent factors in this study.

Tax Avoidance (Y1)

Tax avoidance is the practice of using tax laws' loopholes to lower one's tax liability (Saputra et al., 2020).

$$\text{ETR} = \frac{\text{Tax Expense}}{\text{Profit Before Tax}}$$

Source: (Apsari & Setiawan, 2018) & (Kurubah & Waskito, 2021) (1)

Firm Value (Y2)

The price that potential purchasers are willing to pay if the company is sold is known as the company value (Silaban & Siagian, 2020).

$$\text{PBV} = \frac{\text{Market Price Per Share}}{\text{Book Value Per Share}}$$

Source: (Zulfiara & Ismanto, 2019) & (Mayangsari, 2018) (2)

Gender Diversity Executive (X1)

Inherent in both men and women as individuals who are shaped by their environment, executive gender diversity is a natural quality that is said to exist in both genders (Winasis et al., 2017).

$$\text{GDE} = \frac{\text{Total Number Of Female Councilors}}{\text{Total Number Of Board Members}} \text{ x } 100\%$$

Source: (Raharjanti, 2019) & (Septianingsih & Muslih, 2019) (3)

Thin Capitalization (X2)

Thin capitalization is a method of creating a company's capital structure that combines a higher ratio of debt to equity

$$\frac{\text{Total debt}}{\text{total equity}}$$

Source: (Kurubah & Waskito, 2021) & (Noor & Sari, 2021) (4)

Capital Intensity (X3)

Capital intensity is the amount of money a corporation puts into fixed assets.

Source: (Wiguna & Jati, 2017)

$$\text{Capital Intensity} = \frac{\text{Total Fixed Assets}}{\text{Total Assets}}$$

Source: (Rahma et al., 2022) & (Noor & Sari, 2021) (5)

Multiple regression analysis (multivariate analysis), which employs analytical methods employed in research on pre-established hypotheses, is applied in this study using the SPSS (Statistical Product and Service Solution) 26 computer application. The T-table and T-statistics results can be used to determine whether the size is significant based on the hypothesis. The T-test was used to determine whether or not the hypothesis test is accepted in research. The provisions are as follows: Alpha (α) 5% If the p-value is less than 0.05, the hypothesis is accepted. If the p-value is greater than 0.05 with 5% alpha and a t-table value of 1.96, the hypothesis is refuted.

RESULTS AND DISCUSSION

Table 1. Descriptive Statistics Tax Avoidance (Y_1) and Firm Value (Y_2)

	N	Minimum	Maximum	Mean	Std. Deviation
Gender Diversity Executive (X1)	53	0.00	0.38	0.128	0.14051
The Capitalization (X2)	53	0.06	1.77	0.5996	0.40838
Capital Intensity (X3)	53	0.06	0.76	0.3608	0.18834
Tax Avoidance	53	0.17	0.33	0.2436	0.04015
Firm Value (Y2)	53	0.35	7.91	2.6627	1.88530
Valid N (listwise)	53				

Source: data processed

Table 1 reveals that this study encompassed 53 samples. Gender diversity, as represented by the average Gender Diversity Executive variable, accounts for 0.1280 of the total board members. The calculation for gender diversity in executive leadership, ranging from 0.00 to 0.38, is derived from the proportion of female board members to the total board members. The low presence of female board members in the sample companies is evident in the standard deviation of 0.14051, highlighting the scarcity of women in leadership and on boards in the food and beverage subsector. Thin capitalization is at a ratio level of 0.5996, computed by dividing total debt by total equity, with a range from 0.06 to 1.77 and a standard deviation of 0.40838. Capital intensity, calculated by dividing total fixed assets by total assets, ranges from 0.06 to 0.76, with an average value (mean) of 0.3608 and a standard

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deviation of 0.18334, indicating relatively low capital intensity during the study period. Tax avoidance, with an average value of 0.2436, is computed using the ETR formula, ranging from 0.17 to 0.33, and has a standard deviation of 0.04015. This suggests that the participants in the study engage in tax avoidance at a consistent level with the standard deviation, implying limited data distribution for tax avoidance values. Firm value, calculated using the PBV formula, ranges from 0.35 to 7.91, with a standard deviation of 1.8853 and an average value of 2.6627. This indicates that the distribution of company values under the PBV method does not exhibit excessively large values.

Normality test

Table 2. One- Sample Kolmogorov-Smirnov Test Tax Avoidance

		Unstandardized Residual
N		53
Normal Parameters	Mean	0.00000
	Std. Deviation	0.00129318
Most Extreme Differences	Absolute	0.075
	Positive	0.075
	Negative	-0.067
Test Statistic		0.075
Asymp. Sig. (2 tailed)		0.200

Source: data processed

Table 3. One-Sample Kolmogorov-Smirnov Test Firm Value Y2

		Unstandardized Residual
N		53
Normal Parameters	Mean	0.00000
	Std. Deviation	1.76010722
Most Extreme Differences	Absolute	0.119
	Positive	0.119
	Negative	-0.084
Test Statistic		0.119
Asymp. Sig. (2 tailed)		0.058

Source: data processed

According to Table 2 of Tax Avoidance Y1 above, the Kolmogorov-Smirnov statistic at Y1 has a value of 0.075. Asymp. sig (2-tailed) at Tax Avoidance (Y1) 0.200 > 0.05, which indicates that the regression equation in this study is normally distributed, was used to determine the normality of the regression equation. The value of the Kolmogorov-Smirnov statistic at Y2 is 0.119, as seen in Table 3's Y2 Firm Value. Asymp. Sig. (2-tailed) 0.058 > 0.05, which indicates that the regression equation in this study is normally distributed, was obtained from the results of the normality test.

Multicollinearity Test

Table 4. Multicollinearity Tax Avoidance Y1

	Tolerance	VIF
Gender Diversity Executive (X1)	0.549	1.820
The Capitalization (X2)	0.777	1.287
Capital Intensity (X3)	0.497	2.013

Source: data processed

Table 5. Multicollinearity Firm Value Y2

	Tolerance	VIF
Gender Diversity Executive (X1)	0.549	1.820
The Capitalization (X2)	0.777	1.287
Capital Intensity (X3)	0.497	2.013

Source: data processed

The results of the multicollinearity test show that the Gender Diversity Executive variable inflation factor (VIF) is 1,820, the thin capitalization is 1,287, and the capital intensity is 2,013, indicating that the VIF value of all independent variables is less than 10. This suggests that there is no connection between the regression model's independent variables, and it is therefore possible to conclude that there is no multicollinearity between them.

Heteroscedasticity Test

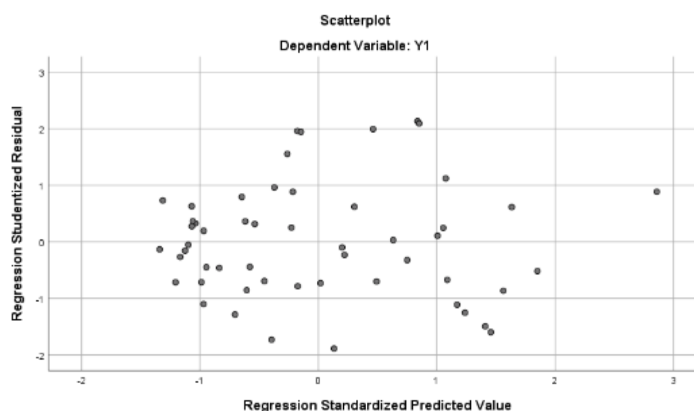

Figure 2. Heteroscedasticity Tax Avoidance (Y1)

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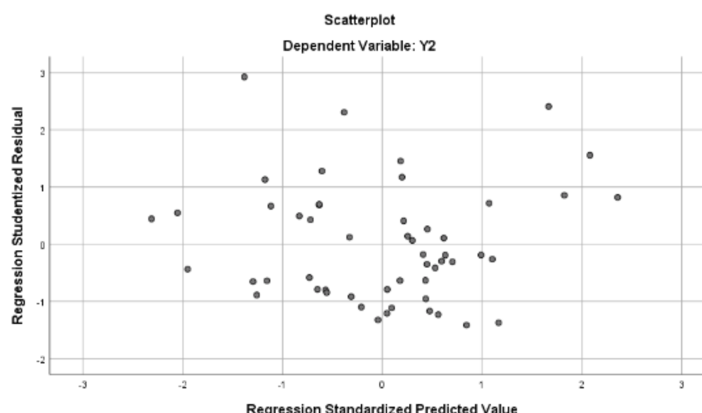

Figure 3. Heteroscedasticity Firm Value (Y2)

The heteroscedasticity test is used to determine whether the residual variation between different observations in the regression model is unequal. If the points in Tables 7 and 8 are distributed randomly and do not create a pattern, the variable is considered to not have heteroscedasticity. The distribution of dots appears random and uneven on the graph above. The regression model therefore does not exhibit heteroscedasticity.

Autocorrelation Test

Table 7. Autocorrelation Tax Avoidance (Y1)

Model	R	R Square	Adjusted R Square	Std. Error the Estimate	Durbin Watson
1	0.984	0.969	0.967	0.00133	1.376

Source: data processed

Table 8. Autocorrelation Firm Value (Y2)

Model	R	R Square	Adjusted R Square	Std. Error the Estimate	Durbin Watson
1	0.358	0.128	0.075	1.81319	1.296

Source: data processed

Table 8 reveals that the Tax Avoidance (Y1) DW (Durbin-Watson) score is 1,376. The research data's DW value spans from -2 to +2, indicating that the regression equation contains no autocorrelation. It can be seen from Table 9 that the DW (Durbin-Watson) value at Firm Value (Y2) is 1,296. The research data's DW value ranges from -2 to +2, indicating that the regression equation contains no autocorrelation.

R test

Table 9. R Test Tax Avoidance (Y1)

Model	R	R Square	Adjusted R Square	Std. Error the Estimate	Durbin Watson
1	0.984	0.969	0.967	0.00133	1.376

Source: data processed

The adjusted R square value for Y1 in Table 10 is 0.967, or 96.7%. This demonstrates that the effect of the independent variables thin capitalization, capital intensity, and gender diversity executive on the dependent variable tax avoidance is 96.7%, while the remaining 2.2% is explained by these independent factors that are not included in the model.

Table 10. R Test Firm Value (Y2)

Model	R	R Square	Adjusted R Square	Std. Error the Estimate	Durbin Watson
1	0.358	0.128	0.075	1.81319	1.296

Source: data processed

The value of the adjusted R square at Y2 in Table 11 is 0.128, or 12.8%. This demonstrates that the influence of the dependent variable Firm Value on the independent variables Gender Diversity Executive, Thin Capitalization, and Capital Intensity is 12.8%, with the remaining 88% being explained by these independent variables that are not accounted for in the model.

Hypothesis Test (T-test)

Table 11. T-Test Tax Avoidance (Y1)

Model		Unstandardized Coefficient		Standardized Coefficien		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	0.232	0.000		537.947	0.000
	Gender Diversity Executive (X1)	-0.001	0.002	-0.010	-0.292	0.772
	Thin Capitalization (X2)	0.017	0.001	0.957	33.333	0.000
	Capital Intensity (X3)	0.003	0.001	0.076	2.130	0.038

Source: data processed

Table 12. T-Test Firm Value (Y2)

Model		Unstandardized Coefficient		Standardized Coefficien		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	2.263	0.588		3.849	0.000
	Gender Diversity Executive (X1)	-1.520	2.414	-0.113	-0.630	0.532
	Thin Capitalization (X2)	-1.420	0.698	-0.308	-2.034	0.047
	Capital Intensity (X3)	4.008	1.894	0.400	2.116	0.039

Source: data processed

Table 12's test findings indicate that the impact of the Gender Diversity Executive on tax avoidance is negligible. This variable's coefficient value has a significant level of 0.772, which is higher than 0.05. The first hypothesis, according to which executive gender diversity affects tax avoidance, is rejected. The main justification is that firm board members are chosen based on professionalism rather than gender. Gender diversity in executive

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positions has little impact on the quantity of tax avoidance by businesses. When it comes to tax avoidance, there is no distinction between men and women. Both male and female employees conduct themselves properly and have duties as employees of the organization. Gender has little bearing on how well work is done or how the tax authorities' (primary) and business management's (agents') interests differ in managing profits. The principal wants as much tax revenue as possible via tax collection, whereas the firm management wants to make more money but with lower taxes. According to agency theory, business owners assign personal professionals (such as agents) who are more familiar with running a day-to-day operation the responsibility of managing the company. This is in line with studies [37] that demonstrate that tax avoidance is not much impacted by executive gender diversity. Unlike (Gracelia & Tjaraka, 2020), who assert that gender diversity has a detrimental impact on tax avoidance.

Thin capitalization has an impact on tax avoidance, according to the findings of multiple linear coefficient tests, which revealed a t value of 33,333 at a significance level of 0.000 to 0.05. It is acknowledged that Hypothesis 2—that thin capitalization affects tax avoidance—is true. A significant value below 0.05 indicates that thin capitalization has an impact on tax avoidance. The direction of the regression coefficient on this variable suggests that thin capitalization has a positive impact on ETR (tax avoidance). According to these findings, the Thin Capitalization mechanism for manufacturing firms in the Food and Beverage sub-sector has an impact on tax avoidance. Accordingly, based on the agency theory, agents have a propensity to control their earnings to lower the cost borne by businesses through tax evasion. Thin capitalization is utilized by businesses to decrease taxes by using interest expenditures, which are permitted by law to be deducted as expenses. As a result, businesses favor internal debt financing to minimize taxes. The findings of this study are consistent with studies (Noor & Sari, 2021) that discovered that thin capitalization has an impact on tax evasion.

According to the research findings, capital intensity has an impact with a significant value of 0.038, which is 0.05 less than the control. It is agreed that Hypothesis 3—that capital intensity affects tax avoidance—is true. The company's ability to avoid paying taxes can be impacted by the capital intensity of its fixed assets. Tax avoidance is significantly impacted by the capital intensity variable. The cost of depreciating fixed assets rises when more businesses invest in the company's assets, adding to the load on the business. The corporation makes less money the higher its costs, which lowers its taxable income. The capital intensity of a corporation represents the amount of capital required to produce profits. A drop in fixed assets or a rise in their quantity might result in new sources of money or capital increases (Alvionita et al., 2021). According to this study's application of the Agency Theory, management is better informed than other interested parties about the company's true financial status. The findings of research by (Rahma et al., 2022) indicating capital intensity has an impact on tax avoidance support this conclusion.

The results of the multiple linear coefficient tests indicate that the significance level for the t value is 0.532 > 0.05, and the value is -0.630. Hypothesis 4, uses the PBV formula to demonstrate that there is no significant relationship between gender diversity among

executives and firm value. Corporate value is not significant, which means neither the presence of women nor men on the board of directors tends to have an impact on the company's value. This suggests that claim 4 is disproven because firm value is not greatly impacted by executive gender diversity. Because investors pay more attention to other factors than just gender when selecting board members, such as background, education, training, and experience, the non-significant results show that this study did not uncover enough evidence about how gender diversity executives affect company value. It is likely that the educational backgrounds of the board members, who represent the same sort of business, impact the viability of the company. Therefore, one of the factors that investors should consider is the board members' experience. This can be explained by the feminism idea, which contends that since women and men are on equal footing in all spheres, including jobs and positions within the corporate environment, there are equal rights and obligations for both genders. The findings of this study are consistent with research (Limbago & Sulistiawan, 2008) demonstrating that gender diversity in executive positions has no appreciable impact on corporate value.

It displays a t value of -2.034 and a significance level of 0.047 0.05 based on the findings of the multiple linear coefficient testing. The company's capital structure has a low debt ratio, even though its capital structure is still higher than the debt structure, supporting Hypothesis 5 that thin capitalization has an impact on firm value. According to the signaling theory, management, acting as a middleman, acquires better information about the state of the business and communicates this information (a signal) to potential investors to raise the stock price of the company. In this situation, it is considered that the debt structure is below the company's ideal capital structure, which means that each additional debt symbolizes the productivity and efficiency of the company, raising the company's worth. If the debt structure increases while the capital structure falls, as long as it stays within the firm's ideal capital structure, this position can raise the company's value (Rosa et al., 2018). This situation suggests that the company is financed with more equity than debt. Research (Rosa et al., 2018) indicating that thin capitalization has an impact on company value supports the findings of this study.

According to the findings of the multiple linear coefficient test, the significance level is 0.039–0.05, and the t-value is 2.116. Accepted is Hypothesis 6, which asserts that capital intensity has an impact on firm value. The effect of capital intensity on firm value can be generalized to the population since the influence of the capital intensity variable on firm value produces meaningful results. In the meantime, the regression equation predicts that when capital intensity rises, firm value will rise as well. Capital Intensity illustrates how effectively businesses use their assets to generate revenue and explains how businesses use their resources to run and finance assets to produce profits. Positive effects on raising company value may result from the company using its assets effectively. Capital intensity's reflection of the efficiency of a firm's asset utilization can serve as an example of how well a corporation can manage its productive assets to produce income (Alamsah & Adi, 2022). based on the Signaling Theory, which outlines how a corporation should communicate with

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those who utilize financial information. This signal takes the form of details regarding the steps taken by management to carry out the owner's wishes. Signals might be information or other advertising that claims the business is superior to rival businesses. Research (Supia et al., 2021) that asserts that capital intensity has a considerable impact on firm value supports the findings of this study.

CONCLUSION

According to the test findings, gender diversity does not influence tax avoidance, as there is no significant difference in tax avoidance between genders. Tax avoidance is notably affected by thin capitalization, which involves businesses using interest expenses to legally reduce taxes. Capital intensity also has a substantial impact on tax avoidance due to higher depreciation costs, adding to the tax burden. However, gender diversity on the board does not affect company value significantly, as investors prioritize factors like background, education, training, and experience over the gender of board members. In contrast, thin capitalization affects firm value because the corporation maintains a low debt ratio despite having a larger capital structure, impacting firm value positively. Capital intensity reflects how effectively companies use their assets to generate income and manage finances for operations, affecting firm value. Efficient asset utilization can lead to higher company value. It's important to note that the study's vocabulary is limited, with data from only 16 companies in the food and beverage sub-sector over four years. Future research should address these limitations, explore additional variables, and gain a broader understanding of the factors influencing tax avoidance and firm value.

AUTHORSHIP CONTRIBUTION STATEMENT

The article's writers shared responsibilities for research, writing, and analyzing data.

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