EFFECT *OF LEVERAGE, RETURN ON ASSETS, FINANCE LEASE* ON *TAX AVOIDANCE* ON MINING COMPANIES LISTED ON INDONESIA STOCK EXCHANGE PERIOD 2016-2019

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***Abstract*–**This study aims to determine the influence of *Leverage, Return on Assets, Finance Lease* on *Tax Avoidance* on mining companies listed on the Indonesia Stock Exchange (IDX) for the period 2016-2019.

This research is an associative research with quantitative approaches measured and calculated using multiple linear regression-based methods with Eviews 9. The population in this study is a mining company listed on the Indonesia Stock Exchange (IDX) for the period 2016-2019. Determination of research samples is carried out using *purpose sampling method.* Companies that sampled research as many as 19 companies with 76 observation data. The data used in this study is secondary data. Data collection techniques use documentation methods through the www.idx.co.id.

The results of this study showed that (1) *Leverage* has no significant negative effect on *Tx Avoidance.* (2) *Return on Assets has an* insignificant negative effect on Tax *Avoidance.* (3) *Finance Lease has* a significant effect on *Tax Avoidance.*

Keywords: *Leverage, Return on Assets, Finance Lease, Tax Avoidance.*

I. INTRODUCTION

Tax is one of the largest sources of state revenue. Where 76.94% of the total state revenue comes from taxes. This can be seen from tax revenue of 1,380 trillion rupiah from the total state revenue of 1,793.6 trillion rupiah in the 2015 State Budget (www.fiskal.depkeu.go.id). The acceptance is used to support and carry out national development activities in order to run well in order to prosper the lives of all Indonesian people. Because the role of taxes is very large for the state, the government seeks to increase revenues from the tax sector.

Taxes are financial obligations imposed by the state to taxpayers to finance public expenditures. The object subject to tax is income. Income is diefenisikan as all additions in terms of economy obtained within the territory of Indonesia or outside the territory used for consumption and for the addition of wealth. Receipts derived from taxes are an important source of revenue that will be utilized for various state expenditures so that all taxpayers either individuals or entities are expected to fulfill their obligations based on existing regulations and voluntarily (Lestari and Putri, 2017). According to Supramono and Damayanti (2015) the tax is diefenisikan as follows: "Tax is dues do not get reciprocal services (counter achievement) that is directly indicated and used to pay public expenditures ". According to the Official (2014) tax defenisi as follows: "Taxis the contribution of the people to the state treasury based on the law (which can beimposed) by not getting reciprocal services (counterprestasis)that can be directly indicated and which is used to pay public expenditures". In Indonesia the *case of Tax Avoidance* often occurs because companies want a bigger profit and pay less tax than they should. One example is the case where the Directorate General of Taxation (DJP) sued the coal company PT Multi Sarana Avindo (MSA) for allegedly transfer of Mining Power resulting in a lack of obligation to pay Value Added Tax (VAT). Lawsuit three times in 2007, 2009 and 2010 by suing for Rp. 7.7 billion. KataData and Prakarsa searches in 2018 showed that the alleged Directorate General of Taxation (DJP) was materially unproven. The practice of PT MSA is a practice that does not violate the provisions. The case of PT Multi Sarana Avindo (MSA) is one of the many cases indicated by the practice of tax avoidance *(https://katadata.co.id).*

Taxes are seen as unprofitable for corporations. Something unprofitable usually encourages an attempt to evad or fight taxes. Tax *Avoidance activities can* not be separated from the desire of companies to earn a large profit by paying less tax.

Some factors that affect Tax *Avoidance* are *Leverage. Leverage is* the use of debt both long-term and short-term in meeting the needs of funds used for the company's operations in addition to working capital owned. *Leverage* itself is referred to as a ratio that indicates the financing of a company from debt that reflects the higher value of the company. In addition, other factors such *as Return on Asset (ROA) which* is an indicator that reflects the company's financial performance, the higher the ROA value that can be achieved by the company, the financial performance of the company can be categorized as good. ROA shows a measure of the profitability of companies that provide information to outside parties about the effectiveness of the company's operations (Tiala *et al.,* 2019).

Tax avoidance is not only due to *the Leverage and* ROA factors, but *the Finance Lease factor* is one that is considered to be able to save costs in terms of spending funds compared to cash purchases. Setiani (2016) in Sundari and Nofryanti (2019) states that Finance *Lease is* a lease activity where *the Lessee (customer)* at the end of the contract

period has the option of buying a lease object based on the remaining value mutually agreed. *Leasing* by the company is used to be able to obtain capital goods by way of purchase lease, which is phased out everymonth, quarterly or once every six months to *the Lessor.* By doing *Leasing will* save more costs in terms of spending funds compared to buying in cash. *Leasing is* considered to be able to reduce taxable income because there is a burden taken into account.

II. The Basis of Theory and Hypothesis Development

Leverage

Simply put *Leverage* is the use of assets *and sources of funds (source of funds)* by companies that have a fixed cost (fixed expense) with the intention to increase the potential profits of shareholders. *Leverage* is a level of the company's ability to use assets and or funds that have a fixed burden (debt and or special shares)in order to realize the company's goal to maximize the wealth of the company's owners.

Return on Assets

Return on Assets is a profitability ratio that shows the percentage ofprofit (net profit)obtained by the company in relation to the overall resources or the average amount of assets. *Return on Assets is* a ratio that measures how efficient a company is in managing its assets to generate profit over a period of time.

The onlypurpose of the asset is to generate revenue and of course also generate profit or profit for the company itself. *Return on Assets* can help management and investors to see how well a company is able to combine its investments in assets that become profit or profit. Th return *on assets is* the return on investment *for a* company because in general capital assets areoften the largest investment for most companies.

The rate of return on assets varies in different industries. Capital-intensive industries such as the Railway industry, the Mining industry and the high-tech electronic devices industry will result in low returns on assets, this is because those industries require expensive assets to do their business. Whereas non-capital intensive industries such as the software industry or service industry will produce a high rate of return on assets or ROA ratios because those industries do not require expensive valuable assets. Therefore, Return on Assets is more appropriate to be used to compare companies engaged in the same field or to compare the company's performance from one period to thenext.

Finance Lease

Based on PSAK No. 73 of 2017 on lease, *Finance Lease is* a lease that substantially *diverts* all risks and benefits related to the ownership of the assets of the lender. One of the advantages of the company in conducting *Financial Lease is* that at the end of the lease period the company can buy the asset in question by paying the remaining value of the asset.

According to Sundari and Nofryanti (2019) *Finance Lease is a lease* activity in which the tenant *(Lessee) has the option* at the end of the contract period to purchase the lease object *owned by Lessor* (who gave the lease)based on the mutually agreed residual value. *Leasing*

can be interpreted as a company that conducts financing activities in the form of capital borrowing and has doneagreements / agreements in advance. Companies tend to get their assets by renting (*Leasing)* than buying in cash. It is based on that *leasing transactions can* be interpreted as tax savings without violating taxation rules.

Tax Avoidance

In tax payments,there are often taxpayers (WP) who do not pay taxes by avoiding tax legally. The phenomenon of *tax avoidance is one*of the obstacles for the government to optimize tax receipts. Therefore, this kind of problem becomes a problem for the government because on the one hand tax*avidance*does not violate the law (legal) and on the other hand, *tax avoidance* isnot wanted by the government because it can reduce the cost revenue for the state(Tiala *et al.,* 2019).

Tax avoidance (*tax avoidance) has* characteristics and even practices that are trying to be done by tax payers. . The character of tax payers who commit tax avoidance can be distinguished byt he class of tax payers, ranging from large taxpayers to mediocre tax payers. Large tax payers tend to take advantage of their enormous financial ability to hire reliable people and know the loopholes in tax laws. Whereas ordinary taxpayers, usually withhold to buy, use, work on something to avoid tax ation. The practice of *tax avoidance is* still carried out because of an old saying that "no one likes to pay taxes".

HYPOTHESIS DEVELOPMENT

Leverage Relationship* To *Tax Avoidance

Hypothetical test results state that *Leverage* negatively affects tax avoidance (Dewi & Noviari 2017). One of the funding policies is that debt or *leverage is* the level of debt that companies use in financing. Companies that use debt on the composition offinancing, then aka the tone of interest expense to be paid. The higher the leverage *ratio,* the higher the amount of funding from third party debt used by the company and the higher the interest costs arising from the debt.

H_1 : *Leverage* has a significant negative effect on *Tax Avoidance.*

Relationship *Of Return on Assets* To *Tax Avoidance*

Return on Assets is a financial indicator that describes the company's ability to generate return on total assets owned by the company. The results of this study concluded that the variable Return on Assets has no significant effect on the variable *Tax Avoidance,* the lower the profit generated on the use of company *assets* will not affect *tax avoidance* activities(Tiala., *et al.,* 2019).

This research proves that the small amount of net profit generated and assets owned by the company will not affect the company in conducting tax avoidance ,this is because the company's profit *generated* or assets owned by the company will decrease or increase.

H_2 :Return *on Assets has an* insignificant negative effect on *Tax Avoidance.*

The *Relationship of Finance Lease* Terhadap Tax ***Avoidance***

Companies tend to get their assets by renting (*leasing)* than buying in cash. The results showed that variance of *Finance Lease* has a significant negative effect *on tax avoidance* (Sundari and Nofryanti,2019). The fewer company assets obtained by *using Finance Lease,* the company conducts *tax avoidance.* this can be seen from the high effective tax payment rate (CETR) when financial *lease is* low.

H_3 : *Finance* Lease*has* a significant negative effect on *Tax Avoidance.*

The frame of thought in this study is *about Leverage, Return on Assets* and Finance *Lease* affecting Tax *Avoidance.* The study had four variables used, including three independent variables and one dependent variable. Independent variables used, *namely Leverage* (X1),Return on*Assets* (X2) and Finance *Lease* (X3), while the dependent variables used, namely Tax *Avoidance* (Y).

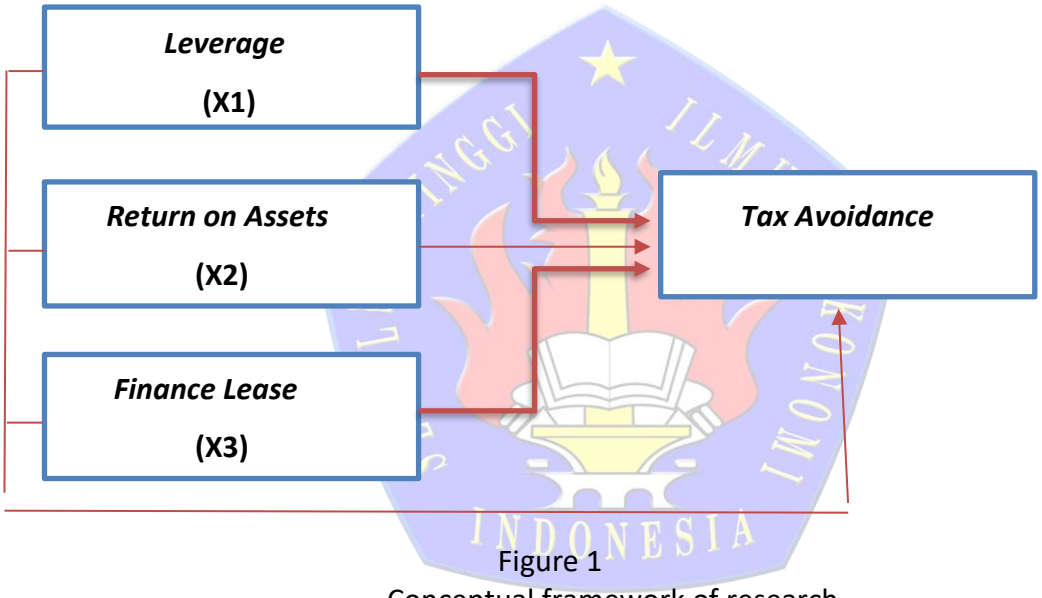

Figure 1
Conceptual framework of research

III. RESEARCH METHODS

The research strategy used in this research is associative, namely research that aims to express the relationship or influence between two or more variables. The collected data used in this study were analyzed. The analysis is directed to answer the proposed problem formulation and hypothesis (Sugiyono, 2018). This research will be able to build a theory that can serve to explain, predict and control a symptom. This study used 3 types of free variables *studied, namely Leverage, Return on Asset, Finance Lease while* the bound variable is *Tax Avoidance.*

According to Sugiyono (2018) population is a generalization area consisting of objects/subjects that have a certain quantity and characteristics set by researchers to be studied and then drawn conclusions. The population is the whole element that will be used as

a generalization area. The research population is 41 mining sector companies in Indonesia listed on the Indonesia Stock Exchange for the period 2016-2019. The reason researchers use the population of mining companies listed on the Indonesia Stock Exchange is because these companies have high profits and taxes and are also selected according to the specified criteria. The criteria for determining samples in this study are as follows:

Table 1
Sample Selection Criteria

Sample Criteria	Amount	Accumulation
Miningsectorcompanies listed on the Indonesia Stock Exchange from 2016 to 2019.	19	19
Companies that issued a*nnual report/*annual financial statements in the period 2016 to 2019 using one type of currency namely US$.	(0)	19
Companies that have *Cash Effective Tax Rate (CETR)* < 1 during 2016 to 2019.	(0)	19
Sample Total		19 Companies
Observation data from 2016-2019		76

Table 2
Operational Variables

Variable	Operational Defenisi	Indicators	Scale
Leverage (X1)	According to Fahmi (2013) L*everage is a* description of a company's ability to fulfill and maintain its ability to always be able to meet its obligations in paying debts in a timely manner.	$ROA \frac{Net\ Income\ Before\ Tax}{Total\ Assets} x100\%$	Ratio

Return on Assets (ROA) (X2)	According to Fahmi (2013) *Return on Assets* (ROA) is a ratio that looks at the extent to which investment or total assets that have been invested are able to provide return on return as expected. If *Return on Assets in a* high company,then the company has the ability to generate profit so that investors will be more confident that investing in the company will be profitable.	$Debt\ Ratio \frac{Total\ Debt}{Total\ Assets}$	Ratio

Finance Lease (X3)	According to Sundari and Nofryanti (2019) F *inance Lease is a* lease activity in which *the lessee has the option at* the end of the contract period to purchase the *lessor-owned lease object* (which gives thelease) based on the mutually agreed residual value. *Leasing* can be interpreted as a company that conducts financing activities in the form of capital borrowing and has doneagreements / agreements in advance.	$Principal\ Installment/\ Month \frac{Total\ Financing}{Tenor.}$	Nominal
Tax Avoidance I'm not going to say that.	According to Pohan (2016) T*ax Avoidance is a* tax avoidance effort carried out legally and safely for taxpayers because it does not conflict with the provisionsof taxation, where	$CETR \frac{Pre}{Tax\ Payment}$	Ratio

	the methods and techniques used tend to exploit the *weaknesses (grey area)* contained in the tax laws and regulations themselves, to reduce the amount of tax owed.		

IV. RESULTS

Descriptive Statistics

Descriptive statistical test provides an overview of a data that can be seen from the *highest* value (maximum), *the lowest* value(minimum), the average value (*mean*), and standard deviation(*standard deviation*). The following statistical test results of each variable are calculated using Eviews 9.

Table 3
Descriptive Statistical Test

Description	Der	Roa	Angs/month	CETR
Mean	0.526829	0.146711	12145496	-1. 260226
Median	0.510500	0.101000	4803342.	-1. 208998
Maximum	1,292000	0.897000	59967666	1.450208
Minimum	0.106000	0.007000	5704.000	-3.729701
St. Dev.	0.270029	0.154785	15970959	1.082015
Observations	76	76	76	76

Source : Software Eviews 9

The following will be explained each descriptive statistical calculation result:

1. Variable *Tax Avoidance* (Y)

Table 4.2 shows that the*mean tax avoidance* from 2016-2019 is -1. 260226. Minimum tax *avoidance value* of -3.729701 at PT Apexindo Pratama Duta Tbk in 2018. The value of -3.729701indicates that the company's ability to*control tax avoidance*is subject to normal carry conditions. While the maximum *tax avoidance value* is 1.450208 at PT Indika Energy Tbk in 2019. This figure shows that companies are able toreduce*tax avoidance*and have a standard deviation value of 1.082015.

2. Variable *Leverage* (X1)

Table 4.2 represents the mean leverage*of* 0.526829. Minimum Leverage *value* of 0.106000 at PT Harum Energy Tbk in 2019. While the maximum *leverage* value is 1.292000 at PT Apexindo Pratama Duta Tbk in 2018 and has a standard deviation value of 0.270029.

3. Variable *Return on Assets* (X2)

Table 4.2 represents the mean*value* ofReturn *on Assets of* 0.146711 . Minimum return *on assets* of 0.007000 at PT Darma Henwa Tbk in 2019. While the maximum value of Return on *Assets* is0.897000 at PT Surya Esa Perkasa Tbk in 2016 with a standard deviation value of 0.154785.

4. Variable *Finance Lease* (X3)

Table 4.2 represents the meanvalue ofFinance *Lease* of 12145496. The minimum *Finance Lease* value was 5704,000 at PT Petrosea Tbk in 2016. While the *maximum Finance Lease* is 59967666 at PT Energy Mega Persada Tbk in 2016 with a standard deviation value of 15970959.

Panel Data Estimation Method

1. Chow *Test*

The *C*how *test* is referred to *as the Redundant Fixed Effect Test* is carried out to determine *whether the Common Effect Model* or Fixed *Effect Model* is appropriate for use in estimating panel data.

The hypothesis in testing is

H_0 : Common Effect Model

H_1 : Fixed Effect Model

For this model has the probability value F > α = 5% (0.05), so H_0 is accepted and H_1 is rejected .

Table 4

Chow Test *Results*

Redundant Fixed Effects Tests
Equation: Untitled
Test cross-section fixed effects

Effects Test	Statistics	D.f.	Prob.
Cross-section F	0.528997	(18,54)	0.9314
Cross-section Chi-square	12.342499	18	0.8291

Cross-section fixed effects test equation:
Dependent Variable: Y
Method: Panel Least Squares
Date: 09/03/20 Time: 13:54
Sample: 2016 2019
Periods included: 4
Cross-sections included: 19
Total panel (balanced) observations: 76

Variable	Coefficient	Std. Error	t-Statistic	Prob.

C	0.634063	0.192931	3.286470	0.0016
Leverage	-0.376619	0.315046	-1.195439	0.2358
Roa	-1.302388	0.484270	-2.689383	0.0089
Finance Lease	2.12E-08	5.15E-09	4.108268	0.0001

R-squared	0.254777	Mean dependent var	0.501579
Adjusted R-squared	0.223726	S.D. dependent var	0.708701
S.E. of regression	0.624411	Akaike info criterion	1.947180
Sum squared resid	28.07201	Schwarz criterion	2.069850
Log likelihood	-69.99283	Hannan-Quinn criter.	1.996205
F-statistic	8.205121	Durbin-Watson stat	1.905327
Prob(F-statistic)	0.000091		

Source : Software Eviews 9

The results of *the Chow* test can be concluded that H_0 was received *because the probability of cross-section chi square* being produced is greater than alpha(0,8291 > 0.05). So the model used in this research is the *Common Effect Model* (CEM).

2. *Hausman Test*

Hausman's test is used for the significance *of the Random Effect*Model, with the hypothesis as follows.

H_0 : Random Effect Model

H_1 : Fixed Effect Model

Table 5
Hausman Test Results

Correlated Random Effects – Hausman Test
Equation: Untitled
Test cross-section random effects

Test Summary	Chi-Sq. Statistics	Chi-Sq. D.f.	Prob.
Cross-section random	1.352848	3	0.7166

Cross-section random effects test comparisons:

Variable	Fixed	Random	Var(Diff.)	Prob.
Leverage	-0.179600	-0.376619	0.654458	0.8076
Roa	-1.041482	-1.302388	0.192821	0.5524
Finance Lease	0.000000	0.000000	0.000000	0.2600

Cross-section random effects test equation:
Dependent Variable: Y
Method: Panel Least Squares
Date: 09/03/20 Time: 13:58
Sample: 2016 2019
Periods included: 4
Cross-sections included: 19

Total panel (balanced) observations: 76

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.640798	0.464290	1.380167	0.1732
Leverage	-0.179600	0.875762	-0.205079	0.8383
Roa	-1.041482	0.677229	-1.537858	0.1299
Finance Lease	8.91E-09	1.22E-08	0.731271	0.4678

Effects Specification

Cross-section fixed (dummy variables)

R-squared	0.366486	Mean dependent var	0.501579
Adjusted R-squared	0.120119	S.D. dependent var	0.708701
S.E. of regression	0.664775	Akaike info criterion	2.258463
Sum squared resid	23.86401	Schwarz criterion	2.933149
Log likelihood	-63.82158	Hannan-Quinn criter.	2.528100
F-statistic	1.487563	Durbin-Watson stat	2.191616
Prob(F-statistic)	0.121651		

The test results above concluded that H_0 was received because the probability *result of cross-section random* is greater than alpha(0.7166 > 0.05). So the model used in this research is Random *Effect Model.*

3. *Lagrange Multiplier Test*

The Lagrange Multiplier (LM) test is a test to see if *Random Effect Model* (REM) *or Common Effect Model* (CEM) is the most appropriate use. The test was developed by Breusch-Pagan to test significance based on residual values of the OLS method.

Table 6

Hasi Test *Lagrange Multiplier*

Lagrange Multiplier Tests for Random Effects
Null hypotheses: No effects
Alternative hypotheses: Two-sided (Breusch-Pagan) and one-sided (all others) alternatives

	Test Hypothesis		
	Cross-section	Time	Both
Breusch-Pagan	2.759177 (0.0967)	1.109685 (0.2922)	3.868862 (0.0492)
Honda	-1.661077 --	-1.053416 --	-1.919436 --
King-Wu	-1.661077 --	-1.053416 --	-1.603102 --
Standardized Honda	-1.314012 --	-0.816087 --	-5.686446 --
Standardized King-Wu	-1.314012 --	-0.816087 --	-4.462506 --

Gourierioux, et al.*	--	--	0.000000 (>= 0.10)

*Mixed chi-square asymptotic critical values:

1%	7.289
5%	4.321
10%	2.952

Source : Software Eviews 9

Based on the Breusch-Pagan probability value of 0.0967 > 0.05 then H_0 is received. So the conclusion,the right regression model used in this study is the *Random* Effect *Model.*

4. Test Normality

The normality test aims to test whether in the panel regression model the variables are normally distributed or not. Data normality test can be known by comparing *jarque-beca* (JB) values and *Chi-Square table values.*

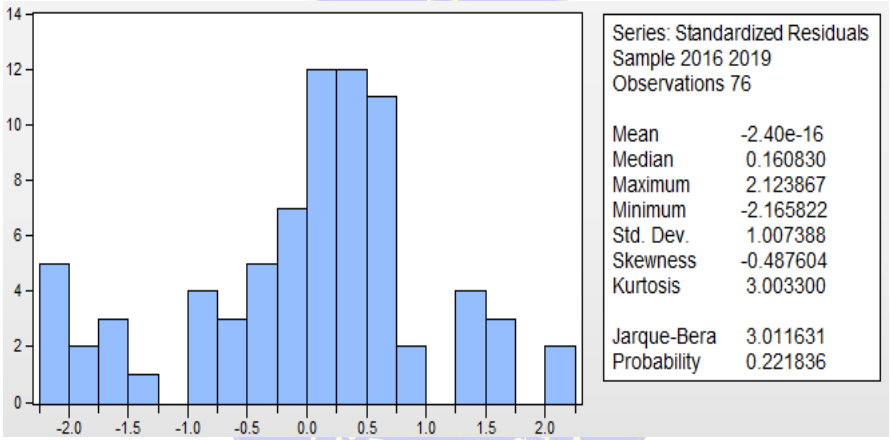

Figure 2
Normality Test Results

5. Multicolinearity Test

The multicolinearity test aims to test whether the regression model found any correlation between independent variables. If independent variables are interrelated, then the variables are not orthogonal.

Table 7
Multicolinearity Test Results

	Leverage	Roa	Finance Lease
Leverage	1.000000	-0.258412	0.474489
Roa	-0.258412	1.000000	-0.043901

Finance Lease	0.474489	-0.043901	1.000000

The results show that there is no linear relationship of independent variables. It can be seen that there is no coefficient between variables greater than the value of 0.8 or close to 1. This test shows the conclusion that the regression model is free from multicolinearity problems.

6. Heterosceticity Test

The heterosceticity test aims to test whether the regression model occurs *variance inequality* from the residual value of another observation.

Table 8
Heteroskedastisity Test Results

Dependent Variable: RESABS
Method: Panel Least Squares
Date: 09/03/20 Time: 14:10
Sample: 2016 2019
Periods included: 4
Cross-sections included: 19
Total panel (balanced) observations: 76

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.459385	0.199191	2.306253	0.0240
Leverage	0.386603	0.325268	1.188567	0.2385
Roa	0.027247	0.499983	0.054495	0.9567
Finance Lease	7.36E-09	5.32E-09	1.383294	0.1708

R-squared	0.082945	Mean dependent var	0.756400
Adjusted R-squared	0.044734	S.D. dependent var	0.659593
S.E. of regression	0.644670	Akaike info criterion	2.011041
Sum squared resid	29.92320	Schwarz criterion	2.133711
Log likelihood	-72.41956	Hannan-Quinn criter.	2.060066
F-statistic	2.170732	Durbin-Watson stat	1.359366
Prob(F-statistic)	0.098882		

From the results of the Heteroskedastisitas test above shows that independent variables *namely Leverage, Return on Assets (ROA)* and Finance Lease have a *probability* above the level of 5% (0.05). It can be said that there is no problem of Heteroskedastisitas.

7. Autocorrelation Test

Autocorrelation test is done to find out whether or not the correlation between the disruptive factors with each other (*non autokorelation*). Conduct this test using the Durbin *Watson*test.

Table 9
Autocorrelation Test Results

Dependent Variable: Y
Method: Panel Least Squares
Date: 09/03/20 Time: 14:36
Sample: 2016 2019
Periods included: 4
Cross-sections included: 19
Total panel (balanced) observations: 76

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.634063	0.192931	3.286470	0.0016
Leverage	-0.376619	0.315046	-1.195439	0.2358
Roa	-1.302388	0.484270	-2.689383	0.0089
Finance Lease	2.12E-08	5.15E-09	4.108268	0.0001

R-squared	0.254777	Mean dependent var	0.501579
Adjusted R-squared	0.223726	S.D. dependent var	0.708701
S.E. of regression	0.624411	Akaike info criterion	1.947180
Sum squared resid	28.07201	Schwarz criterion	2.069850
Log likelihood	-69.99283	Hannan-Quinn criter.	1.996205
F-statistic	8.205121	Durbin-Watson stat	1.905327
Prob(F-statistic)	0.000091		

From the table above,shows that the *statistical durbin Watson* value is 1.905327 with the amount of data (n = 76) and the number of independent variables as much as 3 (k = 3) with an alpha rate of 5%. Du value = 1.7104 dl value = 1.5467. The value of 4 is reduced to the lower limit (4-dl) of 2.4533 and the value of 4 minus the upper limit (4-du) of 2.2896. From the results that have been determined that dw value is between dl and du values that is 1.5467 < 1.905327 < 2.2896 so that it can be concluded that free from autocorrelation problems.

Hypothetical Test Results

Test Result t

Table 10
Test Result t

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.634063	0.205403	3.086919	0.0029
Leverage	-0.376619	0.335412	-1.122853	0.2652
Roa	-1.302388	0.515575	-2.526086	0.0137
Finance Lease	2.12E-08	5.48E-09	3.858819	0.0002

Source : Software Eviews 9

Based on the regression model above, it is concluded that the results of t test are as follows:

1. The result of partial calculation *of the*influence of L*everage* on *Tax Avoidance* obtained t calculated value of -1.122853with the value of t tabel of 1.66629 then

$t_{calculate}$ < t_{table}. Probability value of 0.2652 > alpha value of 0.05. Thus it is concluded that leverage *variables* do not significantly affect Tax *Avoidance.*

2. The result of partial calculation of the effect of Return on *Assets on* Tax *Avoidance* obtained t calculated value of -2.526086 with table t value of 1.66629 then $t_{calculate}$ < t_{table}. Probability value of 0.0137 < alpha value is 0.05. Thus it is concluded that the Variable Return on *Assets* does not significantly affect Tax *Avoidance.*
3. The result of partial calculation of Finance *Lease variable* to *Tax Avoidance* obtained tcalculated value of 3.858819 with table t value of 1.66629 then $t_{calculate}$ > table t_{value}. Probability value of 0.0002 < alpha value is 0.05. Thus it can be concluded that the Variable *Finance Lease* significantly affects *Tax Avoidance.*

Simultaneous Test Result (F Test)

The F test aims to determine the influence of independent variables jointly/simultaneously on dependent variables.

Table 11
Simultaneous Test Result (F Test)

Weighted Statistics			
R-squared	0.254777	Mean dependent var	0.501579
Adjusted R-squared	0.223726	S.D. dependent var	0.708701
S.E. of regression	0.624411	Sum squared resid	28.07201
F-statistic	8.205121	Durbin-Watson stat	1.905327
Prob(F-statistic)	0.000091		
Unweighted Statistics			
R-squared	0.254777	Mean dependent var	0.501579
Sum squared resid	28.07201	Durbin-Watson stat	1.905327

Source : Software Eviews 9

This test is performed by comparing calculated F_{values} and table $F_{values.}$ The value F of the table is obtained by calculating the degree of denominator (df1) and the degree of numerator (df2). df1 = k-1 = 4-1 = 3. While df2 = n – k-1=76-3=73. Then the table F_{value} is 2.73. Based on the results of the above simultaneous uju obtained a statistical F value of 8.205121 with a probability of 0.000091. Statistical F value > table F_{value} (8.205121 > 2.73) with probability value < alpha value 0.05. It is concluded *that Leverage, Return on Assets, Finance Lease* simultaneously have a positive and significant effect on Tax *Avoidance.*

Determination Coefficient Test (R^2)

This measurement is done to measure how far the model's ability to explain dependent variables. If the value of R^2 is small means the ability of independent variables to explain dependent variables is limited. Whereas if R^2 is close to 1 then the independent variable provides all the necessary information in explaining dependent variables.

Table 12
Determination Coefficient Test Results

R-squared	0.254777

Source : Software eviews 9

The results obtained from the determination coefficient test above showed a value of 0.254777 or 25.47%. This value indicates that 25.47% *of Tax Avoidance is* influenced *by Leverage, Return on Assets, Finance Lease.* While 74.53% were influenced by other variables not studied in this study.

V. CONCLUSIONS AND LIMITATIONS

INFERDS

Based on the results and discussion, it is concluded as follows:

1. Variable (X1) *Leverage has* an insignificant negative effect *on Tax Avoidance* on mining companies listed on the Indonesia Stock Exchange (IDX) for the period 2016-2019. Thatis, if leverage decreases, then companies tend to try to do tax avoidance.
2. Variable (X2) *Return on Assets has* an insignificant *negative effect on Tax Avoidance* on mining companies listed on the Indonesia Stock Exchange (IDX) for the period 2016-2019. That is, if return on *assets decreases,* thenthe company tends to try to do tax avoidance.
3. Variable (X3) *Finance Lease has* a significant effect on *Tax Avoidance* on mining companies listed on the Indonesia Stock Exchange (IDX) for the period 2016-2019. That is, if the company's assets are less and less using Finance *Lease,* then the company is less likely to attempt tax avoidance.

Limitations

Limitations in the preparation of this research include:

1. The preparation of thisresearch, the authors have considerable obstacles inhibiting research such as time constraints due to psbb conditions caused by the COVID-19 Pandemic, so that guidance and getting research references become hampered.
2. Researchers have difficulty in collecting the data needed when conducting research.
3. The sample data used in some studies is less valid so researchers have difficulty determining the samples used.

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