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**Abstract**

This study aims to determine the influence of the Board of commissioners, independent commissioner, the compensation of the board of commissioners and the board of directors and the audit committee of management of the tax either partially or simultaneously.The research strategy used in this study is a research strategy of Causality with the research method used is the method of documentation.In this study, researchers used quantitative data taken from financial statements of manufacturing companies that have been audited years 2015-2019 using the program SoftwareEviews version 10. The results of the research prove that: 1) Council Komisarisberpengaruh Positively to the Management of Tax.2)the Commissioner Independenberpengaruh Positively to the Management of tax.3) Compensation of the board of commissioners and the board of direksiberpengaruh Negatively to tax management. 4) the committee auditberpengaruh Positively to the Management of tax and 5)the Board of commissioners, independent commissioner, the compensation of the board of directors and board of commissioners as well as committee auditberpengaruh simultaneously terhadapManajemen Tax.

**Keywords: Board of commissioners, independent commissioner, the compensation of the board of commissioners and the board of directors and the audit committee**

**I. INTRODUCTION**

**I.I BACKGROUND**

Tax management is a process to manage and regulate the tax burden to be paid. The rules of the mechanism efficiency through tax management can be implemented if the management of the company performed well. For the application of management in a company is called Corporate governance.In Law No. 16 year 2009 on the general provisions of the tax procedures. Halim, Icuk and Amen (2014) argues that tax as a personal property which shall be submitted to the state treasury because of the circumstances, events, and actions that provide the position.

In decision number 30/POJK.05/2014 about the absence of good corporate governance, listed companies are required to have independent commissioners and audit committee which also is a component in corporate governance are important. According to forced to flee and Ulupui (2016)suggests that the independent commissioners in the company can have a positive impact on the performance of the company and the value of the company. Governance Indonesia can compare with the other countries on the side of the standard disclosure,accountability to shareholders, and transparency and the role of the board of directors.. Bernad (2014). The characteristics of the Corporate Governance question is :

1. The number of board of commissioners,

2. The percentage of independent commissioner,

3. The amount of compensation of the board of komisarisdewan the board of directors,and

4. Of the audit committee.

He and Noor (2015) argues that the Position of the board of commissioners as the representative of the above shareholders, the board of commissioners will prioritize the interests of shareholders, i.e. maximizing the wealth of companies whose value is affected by the tax. The board of commissioners is closely connected with the independent commissioner.The greater the number of the size of the board of commissioners then it is possible the greater the tax act aggressively undertaken by the company Annisa and Kurniasih (2015).

Rebecca (2015) suggested that the independent commissioners can help provide continuity and objectivity needed for a company to thrive and prosper. Independent commissioner to help plan long-term strategy of the company and periodically review the implementation of the strategy. In the task of board of commissioners, independent commissioner, assist in the decision making because independent commissioners always provide feedback objectively in the execution of the duties of the board of commissioners.

Cahyonowati (2016) suggests the benefits of the compensation is how it can unite between the interests of shareholders with the interests of the asset manager. Perusahaanbisa obtain evidence which is not samadalam a compensatory increase in the manager can reduce the level of tax sheltering. Tax shelteringYaitu how dapatmenurunkan the level of taxable income so that it can be diperolehhasil the efficiency of tax payment

The audit committee is the party that has the duty to assist the commissioner in order to improve the quality of financial reports and peninghkatan evektifitas internal and external audit. The existence of an audit committee is beneficial to ensure the transparency of internal and external audit. Indriastuti (2015) suggests the Openness of the financial report,justice for all stakcholders, and the disclosure of all information have been made by the management even though there is a conflict of interest.

**II. LITERATURE REVIEW**

**2.1 Review of Previous Research and hypothesis development**

Bernad (2015) argues that the characteristic of corporate governence the board of commissioners(X1), Influential among the number of the board of commissioners on the Cash Effective Tax Rate.

H1 : the Number of the Board of Commissioners has a positive effect on Tax Management

Zhou (2015) suggests that variables independent company with an independent commissioner(X2) that is a lot proven to be less likely affected by tax Management(Y).

H2 : the Percentage of Independent Commissioner influential positifterhadap Tax Management

Irawan and Aria (2015)suggests that the Compensation (X3) a positive relationship and significant between the corporate governancedan compensation with cetr. The method used in this research is Regression panel data model.

H3 : the Amount of Compensation for the Board of Commissioners and the Board of Directors negatively affect the Management of Tax

Meilinda and Sindi (2016) suggests that the number of board of commissioners(X1), the percentage of boc (X2), the amount of compensation of the board of commissioners and the board of directors (X3), audit committee (X4) size of the company, the company's performance, the level of debt of companies ,and different tax rates. The dependent variable Tax Management(Y1)Find the Number of board of commissioner have a significant effect positively to the management of tax, the Percentage of Commissioners have a significant positive impact on tax management, the implementation of kompensansi negatively affect tax management, and the audit committee have negative effect on tax management.

H4 : the Audit Committee has a positive effect on Tax Management

**2.2 The Foundation Of The Theory**

Agency is a theory which can affect the relationship between the agent as a party that is managed by the company and the principals of the owner, all of it tied up in a contract. Efendi (2016) suggested through the Forum of Corporate Governance Indonesia (FCGI) in the corporate governancemerupakansebuah regulations in providing the relationship between the shareholders, the board of company, government, creditors, employees and stakeholders both internal and external other that could mutually connect with the right as well as obligation.

The board of commissioners is the highest level after the shareholders. The board of commissioners has a mandatory function in corporate governance beca use the law in perusahaansangat give legal responsibility over the affairs of the company to the board of commissioners. Lukviarman (2016) suggests that the Role of the board of commissioners is to assure that the company has been run by the management properly so that it can achieve the company goals that have been set. Mahapatro, (2015) argues that compensation serves as a management of human resources can indicate the type of reward that has obtained the individual to appreciate its performance. The audit committee is an element within the framework of good corporate governance are expected that could contribute to the high level of its application. Tax management is done in the process of reduction as well as saving tax legally. Fahreza (2016) suggests that tax Management is the means by which dapatmemberikanpembayaran tax corre ctly but with the amount of payment that issued the tax as small as possible to get the profit and the liquidity desired.

**2.3 Conceptual Framework Of The Research**

Board of Commissioners (X1)

compensation of the board of komisarisdewan the board of directors, (X3)

percentage of independent commissioner (X2)

audit committee (X4)

Manajemen Pajak (Y)

**III. RESEARCH METHODS**

**3.1 Research Strategy**

The strategy of this Study is a research strategy of Causality. According to Sugiyono (2016) Research Kuasalitas is the purpose to determine the relationship between two or more variables. With this research it can be built a theory that explain, predict and mengtrol a problem. The relationship of causality is the nature of the relationship cause-and-effect of one variable (independent) condition variable the other (the dependent)

In this study types of data used are secondary data sources derived from the annual financial Statements have been audited and which are listed in Bursa efek Indonesia (BEI) manufacturing firms for the period of 2015-2019 in the official website of BEI as much As 21 times the Five-Year to 105. Secondary Data is data obtained from the researchers from the data source that already exists. Data were processed and tested using the Software program Eviews version 10. This study uses a Quantitative approach , which will be observed and examined the relationship between the variables so that it can be identified the influence of and can be measured clearly.

**IV. THE RESULTS OF THE RESEARCH**

**4.1 Hasil Uji Statistik Deskriptif**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | CASH\_ETR | BOARD | KI | COMP | KA |
| Mean | 0.196857 | 4.209524 | 0.36619 | 0.407143 | 0.858762 |
| Maximum | 0.89 | 9 | 0.5 | 26.61 | 1.5 |
| Minimum | -1.95 | 2 | 0.17 | 0 | 0.33 |
| Std. Dev. | 0.312371 | 1.822378 | 0.079547 | 2.662032 | 0.341109 |
|  |  |  |  |  |  |
| Observations | 105 | 105 | 105 | 105 | 105 |

Source: Results of processing the data with Eviews version 10.0

the dependent variable Management of Tax shows the minimum value of -1.95 owned by Pt. Berlina Tbk In The Year 2015. Independent variables in the form of the Board of commissioners obtained from the minimum value by 2 which is owned by Pt. Jakarta Kyoei Steel Work LTD. Tbk in the year 2017. Variables the independent Commissioner showed a minimum value of 0.17 is owned by Pt. Holcim Indonesia Tbk in the year 2018. The variable compensation of the board of commissioners and the board of directors has a minimum value of 0yaitu owned by Pt. Indofarma Tbk in the year 2019. Variable audit committee has a minimum value of 0.33 that is owned by Pt. Astra Auto Parts Tbk occurred in the year 2016 and the maximum value of the audit committee amounting to 1.5

**4.2 Uji Chow**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Redundant Fixed Effects Tests | | | | | | |  |  |
| Equation: Untitled | | | | | | |  |  |
| Test cross-section fixed effects | | | | | | | |  |
|  | | |  | |  | |  |  |
|  | | |  | |  | |  |  |
| Effects Test | | | | | Statistic | | d.f. | Prob. |
|  | | |  | |  | |  |  |
|  | | |  | |  | |  |  |
| Cross-section F | | | | | 3.076575 | | (20,80) | **0.0002** |
| Cross-section Chi-square | | | | | 59.902044 | | 20 | 0.0000 |
|  | | |  | |  | |  |  |
| Berdasarkan tabel 4.3 untuk hasil *chow test,common effect vs fixed effect* diatas, diperoleh nilai probabilitas (P-value) *cross section* F sebesar 0.0002 ≤ 0,05 |  |  | |  | |

Based on table 4.2 to the results of the chow test,the common effect vs fixed effect above, the obtained probability value (P-value) cross section F 0.0002 ≤ 0,05

**4.3 Uji Hausman**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Correlated Random Effects - Hausman Test | | | |  |
| Equation: Untitled | | |  |  |
| Test cross-section random effects | | | |  |
|  |  |  |  |  |
|  |  |  |  |  |
| Test Summary | | Chi-Sq. Statistic | Chi-Sq. d.f. | Prob. |
|  |  |  |  |  |
|  |  |  |  |  |
| Cross-section random | | 12.295829 | 4 | **0.0153** |
|  |  |  |  |  |
|  |  |  |  |  |

Source : Results Output Regression Panel Data Eviews 10)

Based on the above table to the results of the hausman test, random effect vs fixed effect above, the obtained probability value (P-value) cross section random by 0.0153 ≤ 0,05

**4.4 Hasil Analisis Regresi Uji t**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Dependent Variable: CASH\_ETR | | |  |  |
| Method: Panel Least Squares | | |  |  |
| Date: 08/03/20 Time: 13:57 | | |  |  |
| Sample: 2015 2019 | | |  |  |
| Periods included: 5 | | |  |  |
| Cross-sections included: 21 | | |  |  |
| Total panel (balanced) observations: 105 | | | |  |
|  |  |  |  |  |
|  |  |  |  |  |
| Variable | Coefficient | Std. Error | t-Statistic | Prob. |
|  |  |  |  |  |
|  |  |  |  |  |
| DEWAN\_KOMISARIS | **0.111646** | 0.102056 | **3.093975** | **0.0372** |
| KOMISARIS\_INDEPENDEN | **1.496432** | 0.599151 | **2.497587** | **0.0146** |
| KOMPENSASI\_DWN\_KOMIND | **-0.013122** | 0.012522 | **-4.047947** | **0.0278** |
| KOMITE\_AUDIT | **0.052171** | 0.451803 | **2.115474** | **0.0384** |
| C | **0.770955** | 0.697419 | 1.105441 | 0.2723 |
|  |  |  |  |  |

(Source : Results Output Regression Panel Data Eviews 10)

1. Statistical test results show the value of tcount is greater than ttable (3.093975 > 1.983972) and the results of the probability is smaller than significance level (0.0372 < 0.05)

2. Statistical test results show the value of tcount is greater than ttable (2.497587 > 1.983972) and the results of the probability is smaller than significance level (0.0146 < 0.05)

3. Statistical test results show the value of tcount is greater than ttable (-4.047947 > 1.983972) and the results of the probability is smaller than significance level (0.0278 < 0.05)

4. Statistical test results show the value of tcount is greater than ttable (2.115474 > 1.983972) and the results of the probability is smaller than significance level (0.0384 < 0.05)

* 1. **Hasil Analisis Uji F dan Koefisien Determinasi**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Dependent Variable: CASH\_ETR | | |  |  |
| Method: Panel Least Squares | | |  |  |
| Date: 08/03/20 Time: 13:57 | | |  |  |
| Sample: 2015 2019 | | |  |  |
| Periods included: 5 | | |  |  |
| Cross-sections included: 21 | | |  |  |
| Total panel (balanced) observations: 105 | | | |  |
|  |  |  |  |  |
|  |  |  |  |  |
| R-squared | 0.442245 | Mean dependent var | | 0.196857 |
| Adjusted R-squared | **0.274918** | S.D. dependent var | | 0.312371 |
| S.E. of regression | 0.265989 | Akaike info criterion | | 0.393535 |
| Sum squared resid | 5.660022 | Schwarz criterion | | 1.025430 |
| Log likelihood | 4.339418 | Hannan-Quinn criter. | | 0.649591 |
| F-statistic | **2.643006** | Durbin-Watson stat | | 1.800830 |
| Prob(F-statistic) | **0.000640** |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |

(Source : Results Output Regression Panel Data Eviews 10)

df 1= (k-1) = (5-1) = 4 and df2= (n-k) = (105-5) = 100 with degrees of freedom α = 0.05 (α=5%). This means that Fcount > Ftable or equal to 2.643006 > 2.462615 with p-value F-statistics < 0.05 or equal to 0.000640< 0.05,

**4.6 Test The Coefficient Of Determination**

Adjusted R2 is equal to 0.274918 or 27.4918%, while the rest 72.5082 % (100% – 27.4918%) explained by the independent variables not included in the model of this study.

**4.7 Interpretation The Results Of The Research**

**4.7.1 The Influence Of The Board Of Commissioners On The Management Of Tax**

The value of Tcount is greater than ttable (3.093975 > 1.983972) and the results of the probability is smaller than significance level (0.0372 < 0.05). The board of commissioners of the influential positifterhadap Management tax, Lestari (2015) and Pasaribu (2015) which gives the result that the relationship between the number of board of commissioners over the management of the tax effect.

**4.7.2 Influence Of The Independent Commissioner Against Management Tax**

The value of tcount is greater than ttable (2.497587 > 1.983972)and the results of the probability is smaller than significance level (0.0146 < 0.05). Commissioner Independenberpengaruh positively to Manjeme tax. Zulkarnaen (2015) and Meilinda (2015) which shows that the independent commissioner affect the management of tax

**4.7.3 the Influence of the Compensation of the board of directors and board of commissioners On the Management of Tax**

The value of tcount is greater than ttable (-4.047947 > 1.983972)and the results of the probability is smaller than significance level (0.0278 < 0.05). Compensation of the board of directors and the board of komisarisberpengaruh negatively to the Management of tax Zulkarnaen (2015) stating that the amount of compensation of the board of commissioners and the grand council board of directors affect the management of tax.

**4.7.4 Influence Of The Audit Committee On The Management Of Tax**

the value of tcount is greater than ttable (2.115474 > 1.983972)and the results of the probability is smaller than significance level (0.0384 < 0.05). Annisa and Pass Kurniasih (2015) find that the existence of audit committee has an influence on the tax management.

**4.7.5 the Influence of the Board of commissioners, independent Commissioner, the Compensation of the board of directors and board of commissioners, and Audit Committee On the Management of Tax**

the value of fcount is greater than ftable(2.643006>2.462615) and the results of the probability is smaller than significance level 0.000640<0.05). Annisa and Pass Kurniasih (2015) stating that the Board of commissioners, independent commissioner, the compensation of the board of directors and board of commissioners and the audit committee of influential together on the management of tax

**V. CONCLUSION AND SUGGESTIONS**

**5.1 Conclusion**

This research is useful to test the Influence of Corporate Governance To Tax Management (empirical Study on manufacturing company registered in BEI from year 2015-2019).The conclusion that can be drawn darianalisis panel data and hypothesis testing. Based on the results of research that has been done can be concluded as follows :

1. The board Komisarisberpengaruh positively to the Management of tax. The coefficient of the Board of Commissioners is positive shows that when the number of the Board of commissioners in a company increases, it will cause management taxes also will increase.

2. Commissioner Independenberpengaruh positively to the Management of tax. The coefficient of the independent commissioner is positive means that when the independent commissioners had passed then it will result in tax Management will also experience an increase.

3. Compensation of the board of directors and board of commissioners of the influential negatifterhadap tax management. The coefficient of Compensation of the board of directors and the council of negative value has a meaning when the Compensation of the board of directors and the board increased it will cause no influence on the management of tax

4. The committee Auditberpengaruh positively to the Management of tax. The coefficient of the audit Committee is positive means that when the committee has increased the tax management will also increase.

5. The board of commissioners, independent Commissioner, the Compensation of the board of directors and board of commissioners, the Audit Committee of the influential simultaneously on tax Management. It means that the four variables are the factors that affect the profitability of manufacturing companies in Indonesia stock Exchange.

**5.2 Suggestions**

Based on the results of the study, then the researcher can give advice to interested parties in the management of tax :

In performing tax management need to consider the variable of the board of commissioners, independent commissioner, the compensation of the board of directors and board of commissioners and the audit committee, because of the increased number of Board of Commissioners, independent commissioner, the compensation of the board of directors and board of commissioners and audit committee in managing the company it will be very influential on the sustainability of tax management.

**5.3. Limitations Of The Research And Development Of Further Research**

This study has some limitations and the development of further research, among others :

1. Further research are expected to expand the types of companies in addition to manufacturing.

2. Further research is expected to keeping comparable with the banking company in Indonesia.

3. The addition of variables in addition to the Board of Commissioners, independent commissioner, the amount of compensation of the board of directors and board of commissioners and the audit committee.

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