THE EFFECT OF COMPANY PROFITABILITY, LEVERAGE AND SIZE ON TAX AVOIDANCE IN COAL INDUSTRY COMPANIES LISTED IN INDONESIA STOCK EXCHANGE 2015-2018

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Abstract *-This study aims to determine the effect of profitability, leverage and company size on tax avoidance in coal industrial companies listed on the Indonesia Stock Exchange (IDX).*

This research uses descriptive research with a quantitative approach, which is measured using a panel data regression-based method with Eviews 10.0. The population in this study were coal industrial companies listed on the Indonesia Stock Exchange (IDX) from 2015 to 2018. The sample was determined based on the purposive sampling method, with a total sample of 40 companies. The data used in this study are secondary data. The data collection technique uses the documentation method through the official IDX website: www.idx.co.id. Hypothesis testing using the t test.

The results of the study prove that (1) Profitability has a negative and significant effect on Tax Avoidance, (2) leverage has a negative and significant effect on Tax Avoidance, (3) Company size has a positive and significant effect on Tax Avoidance, (4) simultaneously profitability, leverage and Company size has a significant effect on Tax Avoidance.

Keywords**:** *Profitability, Leverage, Company Size, Tax Avoidance*

I. Introduction

The role of taxes in Indonesia is currently very large because taxes are the largest pillar of the Indonesian state budget expenditure burden. Increasing state expenditure will have an impact on the tax targets set by the state to continue to increase every year except in 2017, the tax revenue target decreases from the previous year and increases again in 2018. Based on the information found on the tax.go.id site, the revenue target taxes have increased and decreased.

Table 1.
Target and Realization of Non-Oil and Gas PPh and Oil and Gas PPh Revenues in Indonesia

Year	Target	Realization	Achievements
	(in billion Rupiah)	(in billion Rupiah)	(in billion Rupiah)
2015	1,294.00	1,055.00	81.53%
2016	1,539.00	1,283.00	83.36%
2017	1,283.57	1,151.03	89.67%
2018	1,424.00	1,315.51	92.24%

Source: tax.go.id

Based on the table above, the 2018 tax revenue target is Rp. 1,424.00 trillion, tax revenue in 2018 reached Rp. 1,315.51 trillion, which is 92.24% of the target. The percentage of tax revenue achievement in 2018 is better than in 2017, 2016 and 2015. This means that it can be said that the growth of tax revenue continues to increase and has a big share in state revenue. Despite the increase, the tax revenue target has not yet been achieved. One of the inhibiting factors for tax revenue is tax avoidance.

*Tax avoidance*is an effort to avoid tax that is carried out legally and safely for taxpayers because it does not conflict with taxation provisions, where the methods and techniques used tend to take advantage of the weaknesses (gray area) contained in the tax laws and regulations themselves, to reduce the amount payable taxes (Pohan, 2013). Meanwhile, the definition of tax avoidance, according to Robert H. Anderson in Rahayu (2010), is a way to reduce taxes that are still within the limits of taxation legislation and can be justified, especially through tax planning. It can be concluded that although no law has been violated, tax avoidance is an unacceptable practice. This is because tax avoidance has a direct impact on the erosion of the tax base, which results in reduced tax revenue required by the state. Therefore, tax avoidance is characterized by fraus legis, namely the gray area, which is positioned between tax compliance and tax evasion.

This study aims to determine the effect of profitability, leverage and company size on tax avoidance in coal industrial companies listed on the Indonesia Stock Exchange in 2015-2018.

II. LITERATURE REVIEW

2.1. Theoretical basis

2.1.1. Tax

According to the official (2019: 1) states the meaning of tax according to several experts, among others, as follows:

1. Definition according to Prof. Dr. Rochmat Soemitro, S. H stated that tax is a people's contribution to the state treasury based on law (which can be enforced) without receiving reciprocal services (counter-achievement) which can be shown directly and used to pay for general expenses.
2. The definition according to SI Djajadiningrat states that tax is an obligation to hand over a portion of wealth to the state treasury due to circumstances, events and actions that give a certain position, but not as a punishment, according to regulations set by the government and can be enforced, but there is no reciprocal service. from the state directly to maintain general welfare.

3. Definition according to Dr. NJ Feldmann states that Tax is an achievement that is imposed unilaterally by and owes to the authorities (according to the norms it determines in general), without any contradictions and is solely used to cover general expenses.

Based on some of the above meanings, it shows that taxes are a mandatory contribution to the state and also a contribution paid to the state treasury which is coercive based on law which is then used to pay for state expenses and for the welfare of the people.

2.1.2. *Tax Avoidance*

According to Pohan (2013), tax avoidance is a tax avoidance effort that is carried out legally and safely for taxpayers because it does not conflict with taxation provisions, where the methods and techniques used tend to take advantage of the weaknesses (gray area) contained in tax laws and regulations themselves, to minimize the amount of tax owed.

2.1.3. Profitability

The company is an organization that operates with the aim of making a profit by selling products (goods or services) to its customers. The operational objective of most companies is to maximize profits, both short-term and long-term profits. Management is required to increase returns for company owners, as well as improve employee welfare. All of this can only happen if the company gets a profit in its business activities (Hery: 2017).

According to Prakoso (2014) profitability is an indicator used to determine the level of profit achievement obtained by the company. If the value of profitability is high, the profit earned is also high, if the company gets high profits, the tax burden to be paid is also high.

2.1.4. *Leverage*

According to Sartono (2010: 257) leverage is the use of assets and sources of funds by companies that have fixed costs in order to increase the potential profits of shareholders. The use of debt that is too high will endanger the company because the company will enter into extreme leverage, namely the company is trapped in a high level of debt and it is difficult to release the debt burden. Therefore, the company should have to balance how much debt is worth taking and from which sources can be used to pay debts.

2.1.5. Company Size

Company size is a measure of the size of a company which is indicated or valued by total assets, total sales, total profits, tax expenses and others (Brigham & Houston, 2014). According to Hartono (2015: 254) company size is the size of the company which can be measured by the total assets or the size of the company's assets by using the logarithm value calculation of total assets.

UU no. 20 of 2008 defines micro, small, medium and large businesses as follows:

1. A micro business is a productive business owned by an individual and / or an individual business entity that has the criteria for a micro business as regulated in this law.
2. Small business is an independent productive economic business carried out by an individual or business entity that is not a subsidiary or branch of a company that is owned, controlled, or is a part, either directly or indirectly, of a medium or large business that meets the business criteria. small as referred to in this law.
3. Medium-sized enterprises are productive economic enterprises that are independent, carried out by individuals or business entities that are not subsidiaries or branches of companies that are owned, controlled, or are part of, either directly or indirectly, with small businesses or large businesses with total net assets or annual sales results as referred to regulated in this law.
4. Large enterprises are productive economic enterprises carried out by business entities with a net worth or annual sales proceeds greater than medium-sized enterprises, which include

state-owned or private national businesses, joint ventures, and foreign businesses carrying out economic activities in Indonesia.

2.2. Hypothesis Development

2.2.1. Effect of Profitability on Tax Avoidance

According to Prakoso (2014) profitability is an indicator used to see the level of profit achievement obtained by the company. If the value of profitability is high, the profits obtained are also high, if the company gets high profits, the tax burden that must be paid is also high, this will encourage companies to do tax avoidance. The results of this study are supported by research by Dewi and Noviari (2017) who conducted research on the influence of company size, leverage, profitability and corporate social responsibility on tax avoidance. The results of this study indicate that company size, leverage and disclosure of corporate social responsibility have a negative and significant effect on tax avoidance. Profitability has a positive and significant effect on tax avoidance.

H1: Profitability has an effect on Tax Avoidance.

2.2.2. Influence *Leverage* Against Tax Avoidance

According to Dewi, et. al. (2016) stated that leverage has an effect on tax avoidance because financing using debt will cause an interest expense, which is a fixed cost and is allowed to reduce a company's taxable profit. so if the greater the debt the company has, it will be able to reduce the amount of tax burden through the amount of interest expense arising from the company's debt. The results of this study are supported by research by Sudaryo, Purnamasari and Kartikawati (2018) and the results show that profitability, leverage, audit quality and the audit committee partially have a significant effect on tax avoidance. And have an effect on tax avoidance simultaneously. Based on previous theory and research,

H2: Leverage has an effect on Tax Avoidance.

2.2.3. The Effect of Company Size on Tax Avoidance

Research conducted by Dewinta and Setiawan (2016) examined the effect of company size, company age, profitability, leverage and sales growth on tax avoidance. The results show that company size, company age, profitability and sales growth have a positive effect on tax avoidance. This indicates that the higher the company size, company age, profitability and sales growth will cause increased tax avoidance. Based on previous research, it is suspected that there is a relationship between company size and tax avoidance so that the following hypothesis can be proposed:

H3: Company size affects Tax Avoidance.

2.2.4. Effect of Profitability, Leverage and Company Size on Tax Avoidance

Research conducted by Sudaryo, Purnamasari and Kartikawati (2018) examined the effect of profitability, leverage and company size on tax avoidance. The results of this study indicate that profitability, leverage, audit quality and the audit committee partially have a significant effect on tax avoidance. And have an effect on tax avoidance simultaneously. Research was also conducted by Handayani (2018) who examined the effect of return on assets (ROA), leverage and company size on tax avoidance. The results show that there is a partial effect on return on assets (ROA) and company size on tax avoidance. However, at the same time, there is an effect of return on assets (ROA), leverage and company size on tax avoidance. Based on previous research,

H4: Profitability, Leverage and Company Size have an effect on Tax Avoidance.

2.3. Research Conceptual Framework

Based on the above description, the effect of profitability, leverage and company size on tax avoidance is based on theoretical basis, the results of previous research and the relationship between these variables, a conceptual framework of research can be presented as outlined in the image model as follows:

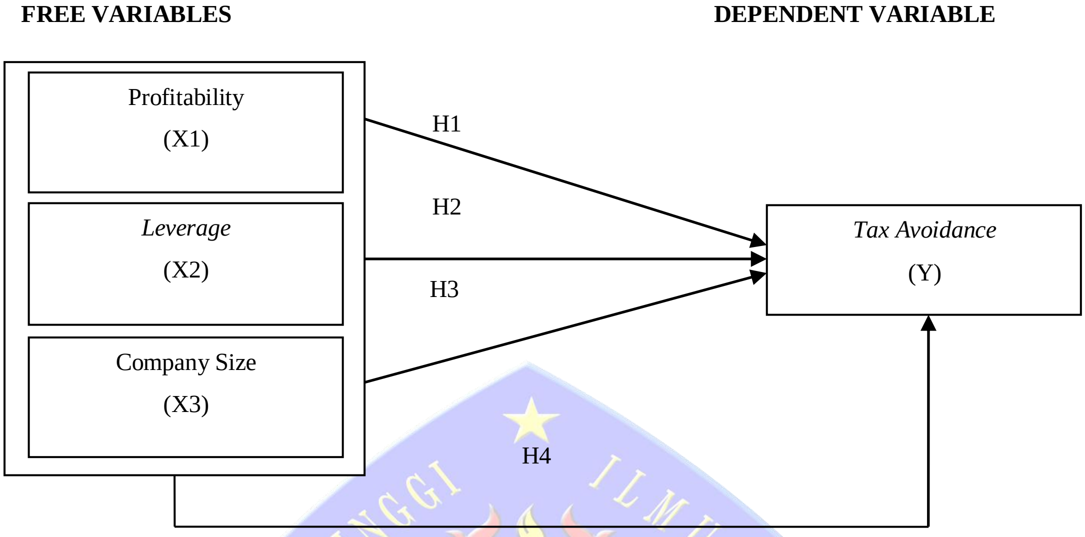

Figure 1.
Research Conceptual Framework

III. RESEARCH METHOD

3.1. Research Strategy

The approach used by researchers in the preparation of this study is a causal relationship. According to Sugiyono (2018) a causal relationship is a relationship that is causal in nature. So in this relationship there are three independent variables, namely variables that affect and there is one dependent variable, namely the variable that is affected.

The method used in this research is a quantitative method. The quantitative method is used because the research data are numbers and analyzed using statistics. According to Sugiyono (2018) quantitative method can be interpreted as a research method based on the positivism philosophy, used to research on certain populations or samples, data collection using research instruments, quantitative / statistical data analysis, with the aim of describing and testing predetermined hypotheses.

3.2. Population and Sample

The population in this study were coal industrial companies listed on the Indonesia Stock Exchange (IDX) from 2015 to 2018. The sample was determined based on the purposive sampling method, with a total sample of 40 companies. The data used in this study are secondary data. The data collection technique uses the documentation method through the official IDX website:www.idx.co.id.

3.3. Operationalization of Variables

There are two variables used in this study, namely:

1. Independent Variable (Independent Variable)
   In this study, the independent variables used were profitability, leverage and company size.

a. Profitability (X1)

Profitability can be measured using ROA. ROA shows the company's ability to use all its assets to generate profit after tax. This ratio is important for management to evaluate the effectiveness and efficiency of company management in managing all company assets. The greater the ROA, the more efficient the use of the company's assets, or in other words, the same amount of assets can result in greater profits, and vice versa. ROA can be calculated using the following formula:

$$\text{ROA} = \frac{\text{EAT}}{\text{Total Aktiva}} \text{ x } 100\%$$

b. *Leverage* (X2)

*Leverage*is an indicator to measure the extent to which the company's assets are financed with debt. This variable is measured by the Debt to Equity Ratio (DER). The DER formula is as follows (Kasmir, 2012: 151)

$$\text{DER} = \frac{\text{Total Hutang}}{\text{Total Ekuitas}}$$

c. Company Size (X3)

According to Hartono (2015: 254) company size is the size of the company can be measured by using the calculation of the logarithmic value of total assets. Company size can be measured using the following formula:

Company Size = Ln (Total Asset)

2. Bound Variable (Dependent Variable)

The dependent variable in this study is Tax Avoidance. Tax Avoidance measures using the Cash Effective Tax Rate (CETR). with the following formula:

$$\text{CETR} = \frac{\text{Pembayaran Pajak}}{\text{Laba Sebelum Pajak}}$$

The greater the ETR Cash, the lower the level of corporate tax avoidance. Conversely, the smaller the ETR Cash indicates the higher the level of corporate tax avoidance (Budiman & Setiyono, 2012).

3.4. Data Analysis Methods

The data analysis method used is panel data regression analysis to determine the effect of independent variables affecting the dependent variable. The panel data regression model equation is as follows:

$$TA = \alpha + \beta 1ROA + \beta 2LEV + \beta 3Size + e$$

IV. RESULTS AND DISCUSSION

4.1. Normality test

The normality test aims to test whether in the regression model, confounding or residual variables have a normal distribution. As it is known that the t and F tests assume that the residual value follows a normal distribution, if this assumption is violated then the statistical test will be invalid for a small sample size (Ghozali. 2016: 154).

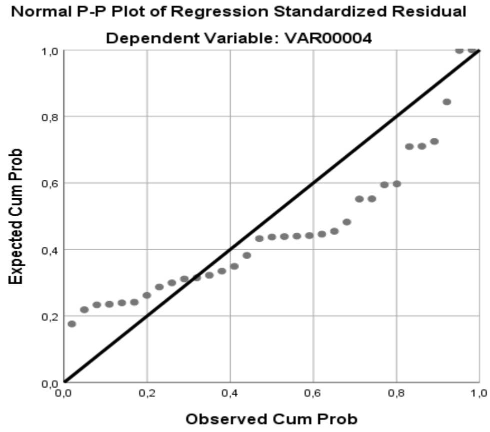

Figure 2.
PP Plot

4.2. Multicollinearity Test

Multicollinearity test is used to test whether there is a relationship between independent variables.

Table 2.
Multicollinearity Test Results

Variable	Coefficient Variance	Uncentered VIF	Centered VIF
C	7.831953	282,9608	NA
Profitability	2.878905	1.632271	1.094875
Leverage	0.009949	1.888471	1.121229
Company Size	0.018774	284.4766	1.049092

Source: Data processed (2020)

Based on the table above, it shows that the acquisition of VIF is below the number 10, it can be stated that there is no multicollinearity problem in the prediction model, so it can be concluded that the variable data in this study does not have multicollinearity.

4.3. Autocorrelation Test

The autocorrelation test aims to test whether in the linear regression model there is a correlation between the confounding error in period t and the confounding error in period t-1 (previous).

Table 3.
Autocorrelation Test Results

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	1.632725	2.798563	0.583415	0.5633
Profitability	-1.058666	1.696734	-0.623943	0.5366
Leverage	-0.298968	0.099744	-2.997347	0.0049
Company Size	-0.040767	0.137019	-0.297529	0.7678
R-squared	0.213147Mean dependent var			0.286496
Adjusted R-squared	0.147576SD dependent var			1.139657

SE of regression	1.052209	Akaike info criterion	3.034299
Sum squared resid	39,85715	Schwarz criterion	3.203187
Log likelihood	-56.68599	Hannan-Quinn criter.	3.095364
F-statistic	3.250628	Durbin-Watson stat	2.012041
Prob (F-statistic)	0.032869		

Source: Data processed (2020)

Based on the table, durbin Watson at a significance level (ά = 5%), with the amount of data (n = 40) and the number of independent variables 2 (k = 3) obtained by Durbin Watson (dw) of 2.012, the Durbin Watson table will give the value of du = 1.466 and dL = 1.320. Therefore the value of dw = 2.012 is greater than the limit of du = 1.466 and less than 4 - du (4-1.466 = 2.554), because the limit value of du <dw <4-du, it can be concluded that in the regression model there is no positive autocorrelation. nor negative. So it can be concluded that the data in this research variable does not have autoceralation.

4.4. Heteroscedasticity Test

Heteroscedasticity is a violation of the homoscedasticity assumption (all disturbances that appear in the regression equation are homoscedastic or have the same variance in each observation condition). Therefore, the consequence of the heteroscedasticity in the system of equations is that the estimate no longer has a minimum variance. The way to know the presence or absence of heteroscedasticity symptoms in this study is to test with white heteroscedasticity no cross term. If the significance of prob * R <0.05 then the model contains heteroscedasticity, and if the significance of prob * R> 0.05 then the model does not contain heteroscedasticity.

Table 4.
Heteroscedasticity Test Results

F-statistic	2.370454	Prob. F (3.36)	0.0867
Obs * R-squared	6.598132	Prob. Chi-Square (3)	0.0859
Scaled explained SS	15,06780	Prob. Chi-Square (3)	0.0018

Source: Data processed (2020)

The table above is the p-value indicated by the prob chi square value (3) at obs * r squared, which is 0.085. because the p-value is 0.085> 0.05, then accept Ho, which means that the regression model is homoscedastic or there is no problem with the assumption of non-heteroscedasticity.

4.5. Panel Data Regression (Fixed Effect Approach)

To see the effect of profitability, leverage, company size on tax avoidance, the panel estimation effects are fixed with the following equation:

Table 5.
Panel Data Regression

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-45.10513	20.11681	-2.242161	0.0334
Profitability	-7.543719	2.362489	-3.193124	0.0036
Leverage	-0.841327	0.214918	-3.914639	0.0006
Company Size	0.002307	0.000992	2.325836	0.0278

Source: Data processed (2020)

Based on the table above, a panel data regression model equation can be formulated which explains the effect of all independent variables on tax avoidance in coal industrial companies listed on the Indonesia Stock Exchange in 2015-2018, namely:

TA = -45,105 - 7,543 PROF - 0,841 LEV + 0,002 UP + ε

4.6. Hypothesis Test (t-Test)

Given that the sig value is 0.05

1. Based on table 5, the results show that partially, profitability has a significant effect on tax avoidance, this can be seen from the t-statistic value of 0.003. Also in line with the probability value, which is below the 5% error rate (0.003 <0.05), 95% confidence. Thus, the size of the acquisition of profitability can cause tax avoidance to rise and fall in coal industrial companies listed on the Indonesia Stock Exchange.
2. Based on table 5, the results show that partially, leverage has a significant effect on tax avoidance, this can be seen from the t-statistic value of 0.0006. Also in line with the leverage value, which is below 5% error rate (0.0006 <0.05), 95% confidence. Thus, the size of the acquisition of leverage can lead to the rise and fall of tax avoidance in coal industrial companies listed on the Indonesia Stock Exchange.
3. Based on table 5, the results show that partially, company size has a significant effect on tax avoidance, this can be seen from the t-statistic value of 0.027. Also in line with the firm size value, which is below the 5% error rate (0.027> 0.05), 95% confidence. Thus, the size of the acquisition of company size can cause tax avoidance to rise and fall in coal industrial companies listed on the Indonesia Stock Exchange.

4.7. Hypothesis Test (F-Test)

The F test or simultaneous test is used to see whether or not the effect of the independent variable is significant or not on the dependent variable.

Table 6.
F-Test Results

Effects Specification			
Cross-section fixed (dummy variables)			
R-squared	0.541724	Mean dependent var	0.286375
Adjusted R-squared	0.338045	SD dependent var	1.139751
SE of regression	0.927308	Akaike info criterion	2.943895
Sum squared resid	23,21730	Schwarz criterion	3.492781
Log likelihood	-45.87791	Hannan-Quinn criter.	3.142355
F-statistic	2.659702	Durbin-Watson stat	1.807746
Prob (F-statistic)	0.016976		

Source: Data processed (2020)

Based on the table above that simultaneously, profitability, leverage, company size have a significant effect on tax avoidance, this can be seen from the probability value of 0.016, meaning that the probability value is below the error rate of 5% (0.016 <0.05). 95%, this means that the size of the acquisition of profitability, leverage and company size can affect the ups and downs of the acquisition of tax avoidance.

4.8. Discussion

Taxes are the main source of revenue as well as the most important in supporting domestic development financing. In accordance with Law No.28 of 2007 concerning general provisions and procedures for taxation, taxes are "compulsory contributions to the state that are stipulated by private persons or entities that are compelling under law, without direct reciprocity and used for state purposes. for the greatest prosperity of the people Based on the contents of the law, it is clear that taxes are a source of income for the state, while for tax companies it is an expense that will reduce the net profit of a company. The difference in the interests of the state which wants large and sustainable tax revenues is in contrast to the interests of companies that want the minimum tax payments. The difference in interests for the state and for companies based on agency theory will lead to non-compliance by taxpayers or company management which will have an impact on the company's efforts to do tax avoidance. Tax avoidance is a tax avoidance strategy and technique that is carried out legally and safely for taxpayers because it does not conflict with taxation provisions (Pohan, 2013: 13). The difference in interests for the state and for companies based on agency theory will lead to non-compliance by taxpayers or company management which will have an impact on the company's efforts to do tax avoidance. Tax avoidance is a tax avoidance strategy and technique that is carried out legally and safely for taxpayers because it does not conflict with taxation provisions (Pohan, 2013: 13). The difference in interests for the state and for companies based on agency theory will lead to non-compliance by taxpayers or company management which will have an impact on the company's efforts to do tax avoidance. Tax avoidance is a tax avoidance strategy and technique that is carried out legally and safely for taxpayers because it does not conflict with taxation provisions (Pohan, 2013: 13).

This research framework shows the influence of the independent variables, namely profitability, leverage and company size, on the dependent variable, namely tax avoidance. The framework in this research is as follows:

4.8.1. Effect of Profitability on *Tax Avoidance*

According to the research results described above, obtained from the table t test results for the profitability variable of -3.193124 with a significance of 0.0036. This figure shows that the first hypothesis in this study is rejected, meaning that profitability has a negative effect on tax avoidance.

Profitability is a description of the company's financial performance in generating profit from asset management, known as Return On Assets (ROA). In this study, Return On Asset (ROA) is used as an indicator to measure company profitability.

Dendawijaya (2009: 120) states that Return On Asset (ROA) reflects the company's financial performance, the higher the ROA value that can be achieved by the company, the company's financial performance is categorized as good with high profitability, the higher the opportunity to do tax planning.

The results of this study are in line with research conducted by Ariawan and Setiawan (2017) that profitability has a significant negative effect on tax avoidance. The analysis of the effect of profitability on tax avoidance in this study is negative, because companies with high profitability will have good financial performance so that they have the ability to pay their tax burdens and will maintain the company's reputation in the eyes of shareholders. Therefore the company will report the company's tax burden in accordance with the applicable tax regulations so that this results in the company minimizing tax avoidance actions.

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4.8.2. Influence *Leverage* Against Tax Avoidance

The results of the calculation of this study are obtained from the table t test results for the leverage variable of -3.914639 with a significance of 0.0006. This figure shows that the second hypothesis in this study is rejected, meaning that leverage has a negative effect on tax avoidance. The analysis of the effect of leverage on tax avoidance in this study is negative, because high corporate interest costs have the effect of reduced corporate tax payments due to the small amount of taxable profit. So that this results in the lack of desire of companies to do tax avoindance.

The results of this study are in line with research conducted by Dewi and Noviari (2017) that leverage has a negative and significant effect on tax avoidance. This shows that the greater the value of the company's debt, the lower the tax avoidance practices carried out by the company.

4.8.3. The Effect of Company Size on *Tax Avoidance*

The results showed that partially, company size has a significant effect on tax avoidance, this can be seen from the t-test result table for the firm size variable of 2.325836 with a significance of 0.0278. This figure shows that the third hypothesis in this study is accepted, meaning that company size has a significant positive effect on tax avoidance.

Munandar (2015) states that the size of the company shows the stability and ability of the company to carry out its economic activities. The larger the size of a food company, the more it becomes the center of attention of the government and will create a tendency for company managers to be compliant or aggressive in taxation. The bigger the assets owned by the company, the bigger the company size.

Hasibuan (2015: 9) defines company size as a scale where the size of the company can be classified according to various ways, including: total assets, log size, sales and market capitalization, and others. The bigger the company, the bigger the total assets it has. In carrying out tax planning to reduce the tax burden to a minimum, the company can manage the company's total assets to reduce taxable income, namely by taking advantage of the depreciation and amortization expenses arising from expenses to acquire these assets because depreciation and amortization expenses can be used as a deduction for taxable income. company.

The results of this study reflect that the bigger the company, the greater the CETR it has. This means that the company's ability to do tax avoidance is getting bigger, because the ability to hire people who are experts in the field of taxation or to hire a tax consultant is getting bigger, which can increase the company's tax avoidance. The results of this study are in line with Dewinta and Setiawan (2016) that company size has a positive effect on tax avoidance.

4.8.4. Effect of Profitability, Leverage and Company Size on Tax Avoidance

Based on the research results described above, it is obtained from the table F test results of 2.659702 with a significance of 0.016976. This figure shows that the fourth hypothesis in this study is accepted, meaning that profitability, leverage and company size have a simultaneous influence on tax avoidance.

V. CONCLUSIONS AND SUGGESTIONS

5.1. Conclusion

Based on the research results that have been discussed in the previous chapter, the researchers gave the following conclusions:

1. Partially there is a negative and significant effect between profitability on *tax avoidance*, this means that if the profit (profit) obtained increases, the amount of income tax expense will increase according to the increase in company profits so that the company is likely to do tax avoidance to avoid the amount of its tax burden.
2. Partially there is a negative and significant influence between *leverage*against tax avoidance, meaning that if a company has a high leverage ratio, it means that the higher the amount of funding from third party debt used by the company and the higher the interest costs that arise from the debt. The higher interest costs will have the effect of reducing the company's tax burden.

3. Partially there is a positive and significant influence between company size on *tax avoidance*, This reflects that the bigger the company, the greater the CETR it has.
4. The calculation results show that simultaneously, profitability, *leverage*, firm size has its influence
significant towards tax avoidance, which means that the size of the acquisition of profitability, leverage and company size can affect the ups and downs of tax avoidance earnings. Thus illustrating that simultaneously, profitability, leverage and company size have an effect on tax avoidance in coal industrial companies listed on the Indonesia Stock Exchange.

5.2. Suggestion

The suggestions that the researchers submit to subsequent studies related to tax avoidance are as follows:

1. Future research is expected to increase the time span used so that the next researcher can clearly see the company's related behavior *tax avoidance.*
2. Future research is expected to increase the observation period so that the number of samples used is greater.
3. Future research is expected to include other independent variables that can influence *tax avoidance.* For example fiscal loss compensation and intensity capital.

5.3. Research Limitations

Limitations In this study, of course, has several limitations, namely as follows:

1. The results of this study only examine the period 2015 to 2018 due to limitations in data collection through www.idx.co.id.
2. The observation period is four years so that the number of research samples is only four times the number of companies, which is 40 samples.
3. This research is only limited to the coal industry sector, so it is not enough to generalize all companies listed on the Indonesia Stock Exchange (BEI).

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