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The Effect of Changes in Profitability, Revenue Growth, Leverage and Company Size on Tax Avoidance (Empirical Study of Food and Beverage Companies Listed on the Indonesia Stock Exchange in 2020-2023)

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Abstract

Tax avoidance is a step taken by companies to suppress taxable income through strategies that are legally or unlawfully prepared. This study is intended to understand and evaluate the impact of profitability, revenue growth, *leverage*, and company size regarding tax avoidance practices on food and beverage business entities listed on the Indonesia Stock Exchange during the 2020-2023 period. This study involved 45 business entities selected by utilizing *the purposive sampling* method. The research findings reveal that profitability, *leverage*, and company size partially contribute positively and significantly to tax avoidance. Meanwhile, revenue growth has no impact on tax avoidance.

INTRODUCTION

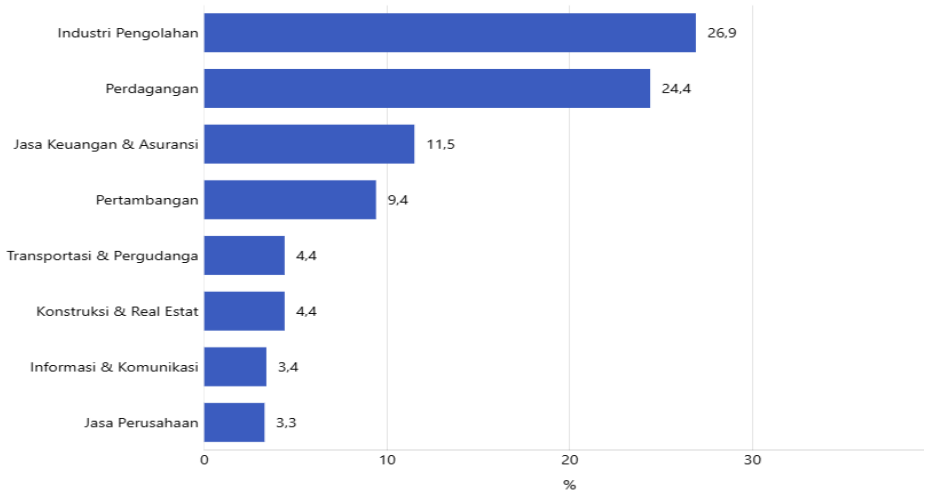
Taxes are one of the main sources of state revenue, where the revenue originates from taxes as well as non-tax sources, (Alabede, 2011). Based on Law No. 16 of 2009 concerning General Provisions and Taxation Procedures in Psl 1 paragraph 1, tax is defined as a contribution that must be submitted to the state by an individual or entity that is coercive in accordance with legal regulations, without any direct reward, and also used in the interests of the state for the welfare of the community. This mandatory levy is one of the largest state revenues paid off by the public, including business entities. This large revenue needs to continue to be

optimized so that economic development and the implementation of state development can run smoothly.

Ridho's study (2016) revealed that there is a mismatch in motivation between tax obligors and administrative authorities. For commercial business entities, tax liability is seen as an expense that reduces final income. Consequently, when business entities record substantial profits, the nominal contribution submitted to the government treasury also increases. This phenomenon encourages business entities to strive to minimize the payment of their tax contributions. Meanwhile, the government needs a budget allocation so that government operations are dominated by revenue from the levy sector. Although the regulator has comprehensively explained the collection mechanism, depositing subjects, collection materials, and the amount of dependents, the reality is that there is still a strategy to reduce the quantity of deposits. A number of corporations do show compliance in fulfilling obligations according to the established calculations, but not a few avoid fulfilling their dependents as they should. This inconsistency triggered business entities to explore methods to reduce the amount of deposits charged. Dewi & Jati (2014) stated that one of the forms of non-compliance is through tax avoidance, which is an effort to avoid taxes legally that do not contradict tax regulations. This activity is carried out by levy collectors by reducing the total taxes that must be paid through the use of existing legal loopholes.

In Indonesia, the issue of tax avoidance is also a serious concern. The government seeks to increase tax compliance and reduce tax avoidance practices so that tax revenues can be effectively utilized for community development and welfare. Therefore, in-depth research on tax avoidance strategies, the effectiveness of tax policies, and their impact on the economy is essential.

The following is the realization of corporate tax revenues during 2023.



Source: Databoks.katadata.com

Based on the graph, it can be observed that the processing industry sector or the manufacturing sector is the largest contributor to the corporate tax received by

the state. Based on this, it can be interpreted that the manufacturing industry sector is very vital for state revenue. The manufacturing sector refers to the part of a country's economy that is involved in the production process of physical goods. This process involves processing, processing, or assembling raw materials and semi-finished materials into final products that are ready to be marketed. Manufacturing has an important role in economic growth because it creates added value from raw materials, creates jobs, and encourages technological innovation.

In the manufacturing sector, there are various subsectors based on the type of products produced, such as metal manufacturing, electronics, textiles, automotive, food and beverages, and so on. The production process in the manufacturing sector usually involves the use of advanced technology to improve the efficiency and quality of products. In addition, the manufacturing sector is also often a center for innovation and development of new technologies. In this study, the manufacturing sector that will be focused on is the food and beverage production sector, the selection of this food and beverage subsector was chosen because this subsector consists of the most companies compared to other subsectors.

Tax avoidance is caused by the variance of goals between entrepreneurs and the government, and is influenced by a number of financial characteristics and governance of business institutions. Business entities strive to maximize profits while reducing collection obligations, because it is considered that taxes are able to minimize the profits earned by business entities. In contrast to the government which tries to maximize state revenue in the tax sector in order to finance various state administrations. According to Darmawan & Sukartha (2014) there is a variance of interests between the administrative authorities as well as business entities, which encourages tax obligors to carry out the reduction of the collection burden through tax avoidance strategies, both legal and illegal, so as to provide greater benefits for taxpayers.

The problem of tax avoidance is a complex issue that has its own characteristics. According to Pohan (2013), *the practice of tax avoidance* is a strategy to reduce the tax burden that is still in the legal corridor and does not endanger taxpayers, because it does not violate applicable tax regulations. This strategy is generally done by looking for gaps or ambiguities in tax legislation, with the intention of minimizing the amount of tax obligations that must be paid off.

A company's ability to make a profit from the assets it owns over a certain period is reflected in its profitability (Dewinta and Setiawan, 2016). When profitability is positive, it indicates that the business entity is successfully utilizing all of its assets to generate revenue. The level of profitability is measured in the form of a percentage, where the higher the number indicates the more effective and efficient the operational performance of the business entity.

Revenue growth is an indicator that describes how much profit increases from sales activities. When there is a significant spike in revenue growth, this has the potential to encourage an increase in the company's operational scale, considering that such growth will result in more substantial profits. Based on logical analysis, it can be concluded that the increase in revenue growth is directly proportional to

the increase in the company's profit. This condition, according to Dewinta & Setiawan (2016), can trigger the tendency of business entities to implement *tax avoidance* strategies, considering that large profits will be followed by large tax liabilities.

Leverage is a financing strategy through debt that companies use to fund their operations and investments. The consequence of using debt is the incurring of interest expenses that must be paid off. This interest expense serves as a deduction for net profit, which then has an impact on reducing the amount of tax that must be paid, thus allowing business entities to maximize their profits (Dharma and Ardiana, 2016).

Company size is a key variable that plays a role in tax avoidance practices. Based on Riyanto (2008), the size of a company can be assessed through several indicators such as equity value, sales volume, or the number of assets. In this context, total assets are the main parameter to classify whether a business entity falls into the large, medium, or small category. Small-scale business entities often face obstacles in optimizing tax management due to the limitation of professionals in the field of taxation. On the other hand, large business entities with more adequate resource availability can carry out tax planning more effectively and comprehensively.

Factors that affect tax avoidance make it an important phenomenon to be researched.Based on the previous research theory review, this study will test the effects of profitability, revenue growth, company size, and *leverage* regarding tax avoidance.

Hypothesis formulation

1. Impact of Profitability on Tax Avoidance Practices

Profitability is found to contribute to ETR negatively so that the effect on tax avoidance is positive because ETR and tax avoidance are inversely proportional which can be interpreted if profitability is high the company tends to evade mandatory collection. This action is carried out because when profitability increases, business entities set aside most of their money to pay shareholder dividends so that when the company's profitability is high, there tends to be a decrease in the company's cash so that due to the reduced amount of cash, the cash that can be used to pay taxes is very limited so that there tends to be legal tax avoidance, namely by increasing the tax debt that will be paid when profitability is high companies are reduced.

Business entities that have high profits every year prefer to utilize equity rather than take debt (Kesuma, 2009). Another opinion also mentions that ROA, which we interpret as a large Return on Assets, shows a large net profit. Therefore, when a business entity takes a significant amount of debt, this does not have an impact on the capital structure, because the ability of the business entity to pay off interest remains strong. The level of profitability can be

assessed by ratios such as ROA, ROE called Return on Equity, and OPM which is said to be Operating Profit Margin. In a previous study by Xaviera, et al. (2020) as well as Sawitri, et al. (2022), it was found that profitability has a beneficial effect on tax avoidance activities. Business entities with increased profitability will be burdened with greater charges. This triggers business entities to implement tax avoidance strategies, in order to minimize the reduction in profits found. Chen, et al. (2010) also support this finding by stating that business entities that have increased profitability have the opportunity to carry out tax planning intended to minimize the tax burden so that the total collection that must be paid off is less. Business entities are able to reduce the tax burden by utilizing the rules of Income Tax Psl 4 paragraph 3 regarding income that is not a tax object, such as for example a PT or called a limited liability company that invests in a company or business entity in Indonesia, where the dividends obtained by the PT can be considered as non-tax object income provided that the PT contains at least 25% of the total paid-up capital in the business entity in accordance with the provisions of the Income Tax Law Psl 4 paragraph 3.

From the study of theory and previous research, so a hypothesis can be formulated or also said as an assumption of this study is in the following:

H1: Profitability has a contribution regarding Tax Avoidance.

2. The Impact of Revenue Growth on Tax Avoidance

Revenue growth was found to be very close to having a positive effect on ETR which can be interpreted that with the increasing development of a business entity's income, the tendency of business entities to be able to avoid taxes will decrease. Similar to the previous statement, the greater the income of a business entity, the higher the amount of cash obtained, so that the business entity containing wider access to this cash can be used as a means of payment for taxes and corporate tax debts. It should be noted that there is independence between revenue growth and profitability, this is because large income cannot directly be interpreted as high profitability due to the payment of expenses including the purchase of raw materials, especially in the observed manufacturing companies. In a previous study conducted by Sari, et al. (2020), it was found that income growth had a positive effect on tax avoidance. The measure of revenue development has an impact on business entities' decisions in avoiding taxes. However, the research findings of Xaviera et al. (2020) revealed that revenue growth has no effect on tax avoidance.

According to the concept study and previous research, a research hypothesis can be formulated in the following:

H2: Revenue Growth contributes to Tax Avoidance.

3. Impact *of Leverage* on Tax Avoidance

A business entity is concerned with the overall assets it controls. The ideal debt level is reached when tax savings have reached the maximum limit (Putri et al., 2017). The concept of agency can be applied to the implications of business entities related to *leverage* because it is able to trigger conflicts between principals and agents. There is a possibility that the principal does not agree with the use of debt or credit from third parties to finance assets.

Leverage or the use of debt in the capital structure of a business entity can have a significant effect on tax avoidance, and agency theory and trade-off theory are relevant concepts in understanding this relationship. According to agency theory, company management may have an incentive to use debt to increase *leverage*, especially if they have stock options or other incentives related to the company's financial performance. *Leverage* with a large amount of debt is able to cause a fairly high interest expense, which ultimately reduces taxable profits and minimizes the tax liability of business entities, thereby increasing the opportunity for tax avoidance.

Meanwhile, the trade-off theory considers the considerations between the benefits and costs of using debt. In this case, high *leverage* can reduce tax costs because debt interest can be seen as an expense that can be deducted from taxable income. However, the successful use of debt in tax avoidance must also be balanced with the risk of bankruptcy that may arise due to high debt. Companies need to find the right balance between the tax benefits provided by high *leverage* and the financial risks that may arise as a result of large debt obligations.

In practice, the effect of *leverage* on tax avoidance is highly dependent on the company's financial strategy and policies as well as other aspects such as the prevailing tax structure. The use of debt in tax avoidance can be an effective tool, but it needs to be managed carefully and with long-term financial risks in mind for the company.

Previous studies conducted by Kalbuana et al., (2020) and Pinareswati (2020) indicate that leverage has a beneficial impact on tax avoidance. Business entities with increased receivables levels or large *leverage* indicate that business entity operations are heavily dependent on debt, thus creating a more minimal ETR. This condition occurs because the interest charged to the debt of a business entity is able to calculate the profit before tax and automatically reduces the amount of tax that must be paid by the business entity.

Based on the study of theory and previous research, the following research hypotheses can be formulated:

H3: *Leverage* contributes to Tax Avoidance.

4. Variable Company Size to Tax Avoidance

Company size was found to have an effect on tax avoidance, but inconsistencies were found, namely there was also previous research that concluded that company size did not affect tax avoidance actions. Because of these inconsistencies, ongoing research is needed to understand the impact of company size on corporate tax avoidance.

Previous studies by Rohmansyah et al. (2021) as well as Sawitri et al. (2022) indicate that company size contributes significantly to ETR. This is due to the greater the total assets (SIZE) controlled, the higher the efforts of business entities to avoid taxes. Large business entities are usually subject to stricter scrutiny from authorities regarding the income they earn, so they are often the concern of tax authorities to be taxed according to applicable regulations.

Referring to the review of theories and previous research outputs, the hypothesis of this study can be formulated in the following:

H4: The size of the Company has an effect regarding Tax Avoidance.

METHODS

This study is based on the population of manufacturing entities registered on the IDX which is defined as the Indonesia Stock Exchange during the period 2020-2023. The sample used in this study amounted to 45 entities per year, which was determined through purposive sampling techniques. During the observation period, the data analyzed consisted of 147 samples. The source of the data is obtained from the database available on the IDX (www.idx.co.id) website or through the official website of each business entity. The information was evaluated by utilizing multiple linear regression techniques. The regression model is the result of a simplification of the relationship of variable relationships which is then expressed in the form of equations. The general form of the equation is in the following.

$$PP = \alpha + \beta\ 1ROA + \beta\ 2GROWTH + \beta\ 3DAR + \beta\ 4SIZE + e$$

Information:
PP = Tax Avoidance
α = Constant
β1, β2, ..., β4 = Regression coefficient
ROA = Profitability
GROWTH = Revenue Growth
DAR = *Leverage*
SIZE = Company Size
e = Err or

Operational Definition of Variables and Measurement of Variables

1. Tax Avoidance

   Nugraha & Merianto (2015) stated that tax avoidance measures intend to reduce the amount of levy rates that must be paid off from the initial estimate, or in other words, an effort to minimize the tax burden. Tax avoidance is assessed by applying ETR which we say is Effective Tax Rates (ETR). ETR is a negative proxy, where a high ETR shows minimal tax evasion, while this minimal ETR means the magnitude of the level in tax evasion.

   The tax avoidance formula is:

   ETR = Income tax expense / Income before tax

2. Profitability

   Profitability refers to the ability of a business entity to create profits, both from sales, assets, and its own equity. This study utilizes the ROA ratio to assess the level of profitability of business entities. ROA, which we call Return On Assets, is one of the profitability ratios that are often used in the analysis of financial records, because this ratio is able to indicate how successful a business entity is in achieving profits. Lanis and Richardson (2012) define that profitability can be assessed by proxy:

   ROA = Net Income / Total Asset

3. Revenue Growth

   Sales growth refers to an increase in the number of sales from one year to the next. Sales have a strategic role for business entities because the increase in sales must be supported by assets or assets, and if sales increase, then assets also need to be optimized (Kasmir, 2008). The formula for calculating sales development is as follows:

   Income Growth = (Income in Period t - Income in Period T-1) / Income in Period T-1

4. *Leverage*

   Mertrut, Yulfaida & Zulaikha (2012) *Leverage* refers to the total debt applied by a business entity to fund operational activities and is able to reflect how much assets are financed through debt. The company's capacity to pay off its long-term debt is determined by the profits it generates.

   DAR = Total Debt / Total Assets

5. Company size

   Company size is an indicator grouped based on the scale of business entities, which reflects revenue and income activities obtained (Nugraha & Meiranto, 2015). Therefore, the study of the size of the company is assessed by its total assets, with the following equation applied as a proxy to assess the size of the company:

   Size = Ln (Asset)

RESULTS AND DISCUSSION

Descriptive Statistical Analysis

Descriptive statistics are applied to present explanations or illustrations about a collection of information. In this research, the evaluation of descriptive statistics was found through minimum, maximum, average, and standard deviation values. The variables used in this research include bound factors, namely Tax Avoidance assessed by ETR, while free factors include Profitability, Revenue Growth, Leverage, as well as Company size. The outputs on the descriptive statistical evaluation in this study are listed in table 1.

Table 1. Output Descriptif Statistics

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Profitability	147	-,399674	,332428	,06703301	,095338390
Revenue Growth	147	-,99882	23,38823	,2888763	1,95964344
Leverage	147	,060035	,944558	,40055101	,199155449
Company Size	147	20,91227	32,85992	28,5423660	2,12416305
Tax avoidance	147	-,057082	,336951	,20403311	,072770971
Valid N (listwise)	147				

Reference: SPSS, Data Processed, 2024

Based on the descriptive evaluation that has been carried out, information about Profitability was obtained, which was calculated by the ratio between net profit and total assets of 0.06703. This illustrates that the average Profitability reaches 0.06703, with a minimum score of -0.399674 and a maximum score of 0.332428.

The average size of a company is assessed by utilizing the natural logarithm of total assets, resulting in a score of 28.5423660. This reflects that the average company size is 28.5423660, with a minimum yield of 20.91227 and a maximum score of 32.85992.

The mean or average of *leverage* is calculated by comparing the total debt with the number of assets, giving an output of 0.40055101. This shows that the average *leverage* score is 0.40055101, with the finding of drinking reaching 0.060035 as well as the highest score of 0.944558.

The revenue growth rate is calculated by the development of income, which is the difference between the income in the current period and the income of the previous period, then compared with the income of the previous time,

resulting in the figure 0.2888763. This indicates that the mean for revenue growth is at 0.2888763, with a minimum score of -0.99882 and the maximum score is 23.38823.

The average tax avoidance variable is calculated by comparing the income tax burden with profit before tax, and a result of 0.072770971 is obtained. This means that the average tax avoidance is 0.072770971, with a minimum score of -0.057082 and the maximum score reaching 0.336951.

Multiple Linear Regression Analysis

The multiple linear regression method is applied to assess the impact of free factors on bound factors, namely the company's financial performance. The outputs of the application of multiple linear regression include F check, t check, and Determination Coefficient (Adjusted R2). The findings of the multiple linear regression examination can be found in table 2.

Table 2. Multiple Linear Regression Output

Model	B	Std. Error	Beta	t	Sig
(constant)	-0.111	0.063		-1,757	0.81
Profitability	0.42	0.052	0.551	8,125	0
Revenue growth	-0.001	0.002	-0.036	-0.558	0.578
Leverage	0.101	0.024	0.277	4,173	0
Company size	0.009	0.002	0.252	3,839	0

Model	R	R Square	Adjusted R	Std. Error of the Estimate	Durbin-Watson	Model
	0.655	0.429	0.413	0.055767637	1,995	

Model	Sum of Squares	Df	Mean Square	F	Sig.	Model
Regression	0.332	4	0.083	26,651	,000b	Regression
Residual	0.442	142	0.003			Residual
Total	0.773	146				

Reference: SPSS, Data Processed, 2024

Based on the findings of the multiple linear regression evaluations that have been carried out, the regression equation model applied in this study is compiled in the following:

Y = - 0.111 + 0.420 (Profitability) – 0.001 (Revenue growth) + 0.101 (*Leverage*) + 0.009 (Company size)

Based on the regression equations that have been mentioned, the conclusions that can be drawn are as follows:

The magnitude of the constant score is -0.111. This is able to show that tax avoidance is formed at -0.111 if the profitability, revenue growth, *leverage*, and size of the company are fixed. The value of the coefficient in profitability is 0.420, which indicates an influence in a positive direction, meaning that if the amount of profitability increases, therefore the tax easing that will be carried out also increases. The coefficient score in income growth is -0.001 which indicates an influence in a negative direction, meaning that if the amount of income growth decreases so that the level for tax avoidance will also be reduced. The leverage coefficient is 0.101, which indicates a beneficial effect, meaning that as leverage increases, it tends to support an increase in the level of tax avoidance. The coefficient in company size is 0.009, which also means profitable contributions, meaning that if the size of the company increases, it is likely that the tax avoidance rate will also increase.

The output of the determination coefficient check means that the Adjusted R Square score for this research model is 0.413. From these findings, it can be concluded that the variability of free factors in influencing financial performance reaches 41.3%, while the remaining 58.7% is influenced by other factors that are not covered by this regression model.

The F test results in a Sig score, as much as 0.000, which is less than the threshold of 0.05. This indicates that the free factor has an overall effect on the binding factor. Therefore, there is a significant and beneficial impact of profitability, revenue growth, leverage, and company size on the rate of tax avoidance at the same time, and this regression model can be considered appropriate as a model worth using.

Discussion

The Effect of Profitability on Tax Avoidance

The t-test that has been carried out indicates that there is an important and beneficial and positive impact between profitability and individual tax avoidance. This is evidenced by the t examination with a calculated t output of 8.125 sertqa Sig. Score 0.000 < 0.05. Therefore, the hypothesis that defines that profitability affects tax avoidance positively can be recognized.

This study shows that the profitability factor has a positive impact on tax avoidance, which can be seen from the coefficient score of 0.420.

A business entity with a high ROA known as Return on Assets generally means that the business entity has an optimal level of profitability. This finding is in line with the opinion of Chen, et al. (2010), who said that business entities with large profitability contain opportunities to utilize tax planning to minimize their tax obligations. Business entities are able to reduce their tax burden by utilizing the provisions of Psl 4 Paragraph 3 of the Income Tax Law which regulates tax objects, by generating or selecting income that is not included in the tax object. For example, a PT which is defined as a Limited Liability Company can invest in a business entity in Indonesia, and dividends received by the PT will be exempted from the tax object as long as the PT is not responsible for at least 25% of the paid-up capital in the business entity, in accordance with the Income Tax Law Psl l 4 Paragraph 3.

This study is in line with the research outputs of Tanjaya, et al. (2021) and Sawitri (2022). This positive and significant impact means that the greater the level of profitability of the company, the greater the level of tax avoidance. On the other hand, the minimum the level of profitability of the company, the smaller the tax avoidance efforts that are carried out. Business entities can tend to put in more effort to reduce their tax liability. This could involve using aggressive taxation strategies to reduce their tax burden.

The Effect of Revenue Growth on Tax Avoidance

The research findings revealed that there was no significant effect between revenue development and partial tax avoidance rates, as evidenced by the Sig. score of 0.578 > 0.05. Through the regression coefficient in this research, the income development factor contains a negative direction of -0.001. The insignificance of this influence indicates that the magnitude of the increase in income is not able to describe or predict the level of tax avoidance.

These outputs are consistent with research by Xaviera et al. (2020) and Tanjaya et al. (2021), which stated that revenue development does not have a significant effect on tax avoidance. This situation is due to the fact that the growth of large or small sales in business entities does not affect the decision to avoid taxes, because business entities with increased or decreased fixed income contain the same responsibility in fulfilling tax obligations.

The Effect *of Leverage* on Tax Avoidance

The test output in the t-check that has been carried out indicates the discovery of a beneficial and meaningful effect among *the Leverage* regarding partial tax avoidance. This can be seen from the output of the t examination, where a t-score of 4.173 was obtained with a level of Sig. 0.000 < 0.05. Therefore, the hypothesis that *leverage affects tax* avoidance can be approved. This indicates that *leverage* has a meaningful effect on tax avoidance measures.

The findings of this study define that *leverage* has a beneficial impact on tax avoidance, as seen from the coefficient score of 0.101. In the context of tax avoidance, business entities with a larger proportion of debt may be more

encouraged to take advantage of loopholes or discretion in tax regulations to aggressively lower their tax liabilities. This is because debt interest payments can minimize taxable profits, thereby providing greater tax benefits. In other words, the greater *the company's leverage*, the greater the incentive to seek more aggressive strategies in reducing the tax burden.

This finding is consistent with research by Sari et al. (2020) and Pinareswati (2020), which stated that *leverage* has a significant and positive influence, which shows that the greater the leverage of a business entity, the higher the tax avoidance rate. Conversely, lower *leverage* will correlate with a lower tax avoidance rate.

The Effect of Company Size on Tax Avoidance

The audit in t that has been carried out indicates that there is a beneficial and significant impact between the size of the company and the partial tax reduction. This is evidenced by the output of the t examination with a calculated t-score of 3.839 and a score of Sig. 0.000 < 0.05. Therefore, the hypothesis that the size of the company affects the tax deduction can be approved. This output shows that the size of the company contains a meaningful effect regarding tax deductions.

This study shows that the company size factor has an optimal impact on tax reduction, indicated by a coefficient score of 0.009. The beneficial effect means that the larger the size of the company, the higher the rate of reduction in fees. Conversely, the smaller the size of the company, the lower the tax deduction rate.

This finding is in line with a study conducted by Rohmansyah et al. (2021) and Sawitri et al. (2022) which stated that company size has an important effect on ETR. This is due to the greater the total assets controlled by the company, the greater their efforts to minimize the tax burden. Large business entities tend to attract more attention from the government related to the profits earned, so they are more often supervised by the tax authorities in accordance with the regulations they are running.

CONCLUSION

Research outputs show that profitability, leverage, and company size factors have an important effect on tax reduction measures. Meanwhile, revenue growth does not contain a contribution to tax reductions.

This research has a number of limitations, namely the limited number of samples applied and only focusing on manufacturing entities in the food and beverage sector that are registered on the Indonesia Stock Exchange in 2020-2023, so the findings of this research cannot be generalized. In the heteroscedasticity examination, symptoms of heteroscedasticity were found in the profitability variables and company size.

The suggestion in the next study is to utilize research objects from other sectors other than food and beverages on the Indonesia Stock Exchange, so that the findings of this study are able to cover a wider and more representative area. It is

also recommended to extend the research period so that the data obtained is more, and increase the number of samples to avoid the emergence of heteroscedasticity symptoms.

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