

ABSTRACT

The practice of Tax Avoidance is still an important concern in the tax system in Indonesia, especially in energy sector companies that have complex business structures and the potential for legal transfer of tax burdens. This phenomenon raises questions about what factors affect the tendency of companies to commit Tax Avoidance. This study was conducted to examine the effect of Transfer Pricing, Leverage, and company size on Tax Avoidance, both partially and simultaneously, in energy sector companies listed on the Indonesia Stock Exchange (IDX) during the 2020–2024 period. The main problem raised is the inconsistency of previous research results, so further empirical testing is needed in strategic sectors. The research method used is a quantitative approach with a multiple linear regression model, and data processing is carried out using the Eviews application. Tax Avoidance is measured using the Book Tax Differences (BTD) indicator. The results of the study showed that partially Transfer Pricing and company size had a significant effect on Tax Avoidance, while Leverage had no significant effect. Simultaneously, these three variables have been proven to have a significant influence on Tax Avoidance practices.

Keywords: Tax Avoidance, Transfer Pricing, Leverage, Company Size, Energy Sector.