Proceeding

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THE EFFECTS OF CORPORATE SOCIAL RESPONSIBILITY DISCLOSURE AND CORPORATE CHARACTERISTICS ON TAX AVAOIDANCE WITH INDEPENDENT BOARD OF COMMISSIONERS AS MODERATING VARIABLE

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Abstract

Tax Avoidance is the legal usage of the tax regime in the single territory in ways that do not violate and are not contrary to the provisions of taxation. This research examines Effect of Disclosure Corporate Social Responsbility and Corporate Characteristics on Tax Avoidace with Board of Commisioners Independent as Moderating Variable. Characteristics measures by proxy of company right into three points (e.i Size, Leverage and Capital Intensity). The sample used in this study is company in the category LQ45 during the observation year 2014 untill 2016. The results showed that Corporate Social Responsibility has no significant effect on Tax Avoidance (0.164), Firm's Size has significant effect on Tax Avoidance with (0.001), Leverage has no significant effect on Tax Avoidance (0.065). Although Capital intensity has no significant effect on Tax Avoidance on 0.089. In the other hand, Corporate Social Responsibility, Firm's Size, Leverage and Capital Intensity are significant effect on Tax Avoidance with Independent of BOC as Variable Moderation on of 0,000 simultaneously. For future studies can change the sample, the independent variable and proxy tax avoidance or corporate characteristics.

Keywords: CSR, Corporate Characteristics, Tax Avoidance, Independent Board of Commisioners.

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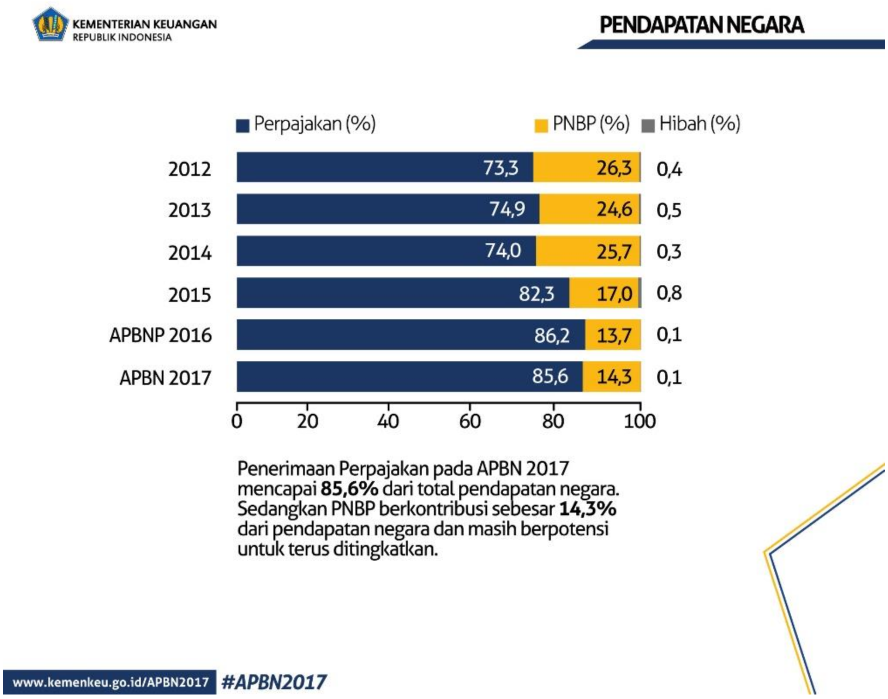
I. INTRODUCTION

Tax Revenue is an essentials factor for the development and sustenance of a country. In Indonesia, taxes are used by the government to support finance administration issues and development. According to Undang-Undang Republik Indonesia No. 28 of 2007 as amended by Undang-Undang Republik Indonesia No. 16 of 2009, the definition of tax is mandatory contribution to the state owed by individuals or entities that are enforceable, by not getting the rewards directly and used for the purposes of state for the greatest prosperity of the people. Tax Revenue is income earned by the government that comes from tax provided by company or workers.

A tax payment obligations responsibility is reflected the state obligations in the field of taxation that are in the citizens themselves to meet those obligations. This is in accordance with the system of *self Assessment* adopted in Indonesia. But the human instinct will always try to avoid the tax in various forms and manifestations, because taxes are levies that are required by law and not voluntary contributions (taxes are enforced extractions, not voluntary contributions), and without rewards from the government. (Mahanani et al., 2017)

The government expects tax revenues from taxpayers or public is obliged to participate in growth of rate and implement to national development. But taxpayers or public assume that paying taxes would be reduced their income, because peoples can not feel the rewards directly. Therefore, this is the reason why the taxpayers or companies will go to avoid paying tax or Tax Avoidance (Okrayanti et al., 2017)

Figure 1 Indonesia Tax Revenue during 2012-2017(www.pajak.go.id)



Tax Avoidance is an effort legal and safe for the taxpayer because it is done in ways that do not violate and are not contrary to the provisions of taxation, in which the methods and techniques used tend to exploit the weaknesses contained in the tax laws (Pohan, 2016). But in practice, such behavior was considered ethical or fair to be done by leaders such as misuse of tax funds for personal interests or groups, not tersistematisnya tax system and the tax laws that are considered only benefit one party and harm the other party (Indriyani et al., 2016). According to Zain (2007), defines that the Avoidance of Double Taxation (Tax Avoidance) as legal earnings manipulation and still in accordance with taxation regulation and legislation to streamline the payment of the amount of tax payable. There are several factors possible to influence a company in paying taxes. One of them is characteristic of a company. One of the characteristics of the Company with respect affect the effective rate of direct taxes i.e Capital Intensity Ratio or Ratio. Capital intensity ratio is how much the company invests its assets in fixed assets (Muzakki, 2015).

Companies Characteristic is feature or trait that is inherent in a business entity that can be viewed from various aspects, the type of business or industry, the level of liquidity, profitability level, company size, investment decisions and others (Surbakti, 2010). Several studies have investigated the relationship between the characteristics of the company and tax evasion using multiple proxies, such as the activity of Tax Shelter, effective tax rates, Book-Tax Difference, and others (Hanlon and Heitzman, 2010).

Rego (2003) reported evidence to support that the international operations will create opportunities to lower tax evasion and result in a lower effective tax rate.

The Act of Tax Avoidance can be avoided by Corporate Governance. The application of the concept of corporate governance aims to encourage awareness and corporate social responsibility towards society and the environment surrounding the company (Putri, et al., 2014). One of the characteristics of Corporate Governance should be owned by the Company is an Commisioner Independent. According to Djalil (2000) in Astrian, et al (2015), Board of Commisioners Independent was formed as the organ of the company in charge of overseeing the wisdom of directors in running the company and advises the board of directors in carrying out the maintenance of the company's activities.

According to the World Bank Group's, corporate social responsibility (CSR) is referred to as an ongoing business commitments that contribute to the economy and impact on the surrounding environment and the general public to improve the quality of facilities and the survival of the community. From these definitions may be mentioned that the tax and CSR are both intended for the general welfare. But the difference is taxes administered by the central and local governments which are then distributed to the general public while the cost of implementation of CSR- that managed by company and distributed to the general public.

II. LITERATURE REVIEW

Theory

According to Tyler in 1990, there are two perspectives in the sociological literature on compliance with the law, called the instrumental and normative. Instrumental perspective assumes the individual as a whole is driven by self-interest and response to the changes related to the behavior. Normative Perspectives in touch with what people regard as contrary to the moral and personal interests. An individual tends to obey the laws that they deem appropriate and consistent with their internal norms. Normative commitment through personal morality (morality through normative commitment) means of obeying the law because the law is regarded as a necessity,

Jensen and Meckling (1976) describes that the theory of agency is a contract between one or several principals who hire an experter (agent) to perform some service on their behalf which includes delegating decision-making authority to the agent. In the delegation of authority from the owner (Principal) to the manager (agent), management was given the right to make business decisions for the benefit of the owner. Divergence of interests between the Principal and the Agent may affect various matters relating to the performance of companies, one of which is a tax on the company's policy. The taxation system in Indonesia using the Self Assessment System is the authority granted by the government to calculate and report their own taxes. The applicability of the Self Assessment System Agent can provide the opportunity to calculate the taxable income to be down. This is carried out by the agency for their asymmetric information to the Principal, to perform tax management then the agent will obtain an advantage that can not be obtained from cooperation with the Principal (Ardyansah and Zulaikha, 2014).

According to (Dowling & Pfeffer, 1975), Legitimacy Theory is an existing condition or status when the system is in line with our value system the value of the larger social system in which the company is part of the system. When an actual or potential difference appears between the two systems that value, it would appear a threat to legitistimat the company.(Lanis & Richardson, 2011) Explained that in accordance with the Corporate Governance implementation mechanism to support compliance with the tax laws and CSR-related activities are expected underlying support to the tax laws, so that companies can run and survive in a sustainable society.

Tax Avoidance is efforts that are legal and safe for the taxpayer because it is done in ways that do not violate and are not contrary to the provisions of taxation, in which the methods and techniques used tend to exploit the weaknesses contained in tax provisions (Pohan CA, 2016). According to Suryana (2013) Tax Avoidance prevalent global company with branches in different countries. Some moduses worn but always managed as follows:

1. Payment of royalties on the management costs of IPR (Intellectual Property Rights) on the logo and brand to the parent company. The increase in royalties will increase the cost, which in turn reduces the net income that corporate income tax is also down.
2. The purchase of raw materials from the company group. Purchases of raw materials is done at high prices from the company's one group that stands in low-tax cost countries.
3. Borrowing or selling bonds to affiliates of parent company and pay back installments with very high interest. High interest rates are disguised dividends to the parent company.
4. It is a larger dividend to disguise the cost of royalties and management fees to avoid corporation tax.

5. Decrease the sales turnover. The company sells the goods to the branch loss in state tax cost is low, so it looks a loss of export sales. Then from these branches, goods sold at normal prices to the final consumer.

Corporate Social Responsibility (CSR) is responsibilities of a business entity in order to minimize negative impacts and maximize the positive impact of its operations on all stakeholders in the field of economic, social, and environment in order to achieve the goal of sustainable development (Rachman et. al., 2011). Three focus disclosures GRI Index Version 4 is as follows:

1. Economic Performance Indicators or Economic Performance is the relative performance of the company in a similar annual return that marked by the industries concerned (Suratno et al, 2006).
2. Social Performance is a performance related to the directly publlic on the impact of the company's operations.
3. Environmental Performance is the performance of the company in creating a good environment (green). Measurement of environmental performance is an important part of environmental management systems. It is a measure of the results of the environmental management system is given to companies in the real and conrete (Suratno et al, 2006).

According to Kris (2013) The Firm's Size showed great or small wealth (assets) owned by the company. Measurement company aims to quantitatively distinguish between large companies (Large Firm) with a small company (Small Firm) the size of a company that could affect management's ability to operate the company with a variety of situations and conditions that it faces. The bigger a company would have higher operating activity. Large companies would also have more experience in running operations, and has a deeper maturity strategies for continuity of operations, including tax-saving strategies.

According to (Halim & Hanafi, 2009) Leverage ratios understanding or often also called solvency is a ratio that measures the ability of the company meet its long-term obligations. Companies that are not solvable company whose total debts greater than the total of its assets. This ratio measures the company's long-term liquidity and therefore focuses on the right side of the balance sheet. Meanwhile, According to Sartono (2010), *leverage i*s the proportion of the use of debt to finance investment and companies that do not have leverage, would be use their 100% own capital to operations.

Capital intensity is a ratio showing how large a proportion of fixed assets to total assets of the company. Capital Intensity The higher the greater the proportion of fixed assets in the company compared to other assets. The greater the composition, it can be said that the cost of depreciation or depreciation of these assets is also great that the company's costs will also be great. Companies can take advantage of the depreciation expense of fixed assets directly reduce the company's profit that forms the basis of corporate taxes (Muzakki, 2015).

Board of Commisioners Independent is a Board of Commissioners focused on the responsibility to protect shareholders, particularly the independent shareholders of fraudulent practices or to commit a crime capital markets (Rifa'i, 2009). Refer to the mechanism of corporate governance within the company, the minimize occurrence of fraud would occur by the management company for the management (agent) company and the (Principal) has a different purpose. Therefore, we take five way hypothesizes as follows:

H1: Corporate Social Responsibility on Tax Avoidance

Contributions and construction of the implementation of the Corporate Social Responsibility (CSR) is proportional to the objective of the government in terms of community development. Kesinergian companies and governments into energy to achieve development goals (Kartini, 2013). Research has been conducted by Hidayati & Fidiani (2017) says thatdisclosure of Corporate Social Responsibility (CSR) a positive influence on Tax Avoidance. The results showed that CSR can increase Tax Avoidance. This is because some items CSR is an expense that can be deducted as an expense that can reduce taxable income.

H2: Size has affected on Tax Avoidance

Basically, a great company always earn big profits will attract the attention of the government to be taxed accordingly, Asfiyati (2012). Based on agency theory, resource owned by the company can be used by the Agent to maximize compensation for the performance of agents, namely by pressing the corporate tax burden in order to maximize the performance of the company, research results Pohan (2009) prove that Size positive effect on Tax avoidance.

H3: Leverage has affected on Tax Avoidance

Leverage is one of the financial ratios that describe the relationship between corporate debt to equity or assets of the company. The leverage ratio describes the source of funds used by the company's operations. Leverage ratio also shows the risks faced by the company,(Yola, 2014), Companies that have relatively large debts have Cash Effective Tax Rate (CETR) is low because their interest payments will lead to a reduction in the corporate tax burden (Noor et al., 2010). Kurniasih and Sari (2013) stated that the leverage effect on aggressive tax measures. Companies with high leverage means having more debt than equity.

H4: Capital Intensity has affected Towards Tax Avoidance

Selection of the assets will generate cash depreciation expenses. Fixed assets depreciation raises costs resulting revenues. This can cause a company's taxable income is reduced, which in turn the amount of tax to be paid by the company also reduced. Through capital intensity, the company can make the practice of tax avoidance, by multiplying the company's capital in the form of fixed assets that raised the cost of depreciation of fixed assets is bigger, so it can be used by deduction from the amount of tax to be paid by the company. Rahmawati (2017).

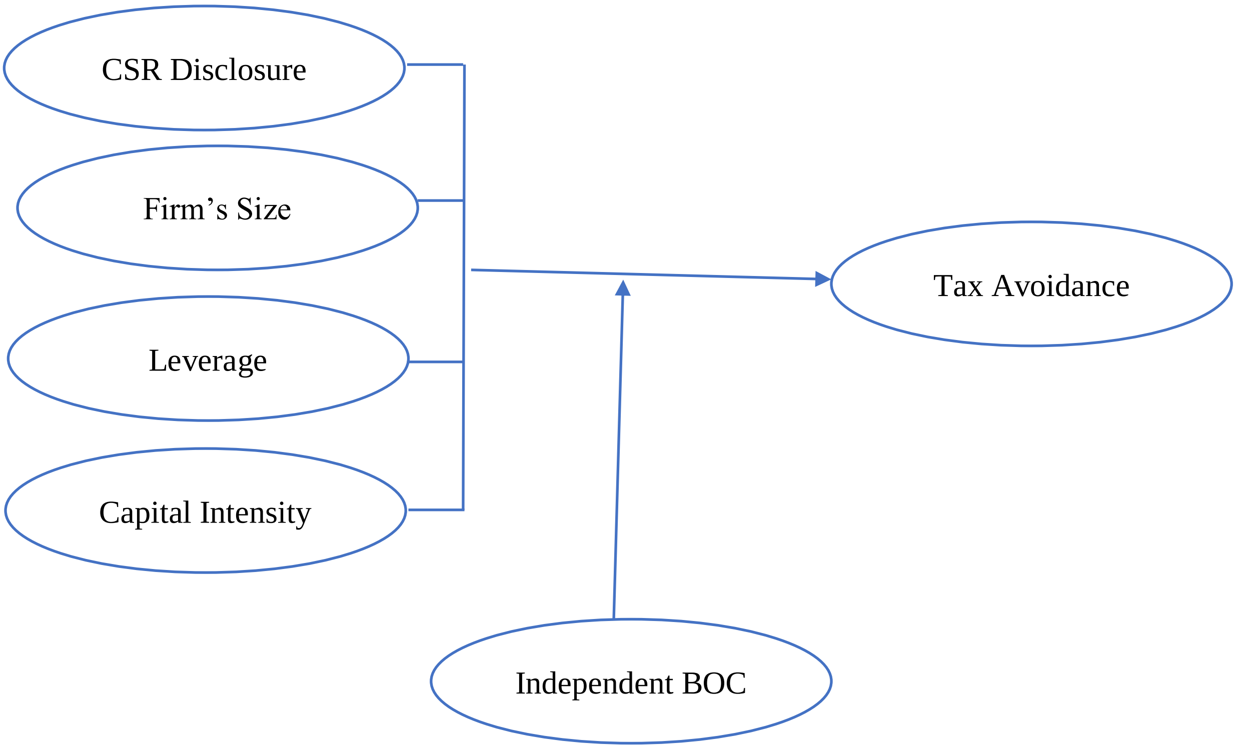
The research result Wijayanti et al., (2016) explains that the capital intensity positively affect Tax Avoidance.

H5: Corporate Social Responsibility, Firm's Size (Size), Leverage and Capital Intensity effect on Tax Avoidance with Independent BOC as Variable Moderation.

Board of Commissioners is the organ which has the duty and collective responsibility to supervise and advise the Board of Directors and to ensure that company has implemented GCG at all organizational levels or hierarchy. The role of the President Commissioner is to coordinate activities for the Board of Commissioners. The role of Board of Commissioners is collectively supervising the management of the Company, providing input concerning policies of the Company's management created by the Board of Directors (wikipedia.com).

To summarize our hypotheses, we draw a figure how the relationship between Corporate Social Responsibility, Firm's Size (Size), Leverage and Capital Intensity, Tax Avoidance and Independent BOC as below:

Figure 2 Hypoteses Model



III. RESEARCH METHOD

Population and Sample

The population used in this study is the Corporate listed in LQ45 in Indonesia Stock Exchange (BEI) in 2014-2016. Research sample using purposive sampling method with the purpose of obtaining the samples in accordance with the criteria specified. The criteria used for the selection of the sample is as follows:

1. Companies that successively listed in the category LQ45 from 2014 to 2016 in Indonesia Stock Exchange (idx.co.id)
2. Companies that present financial statements, annual report and sustainability report for 2014 to 2016.
3. Companies that publish annual reports in Rupiah.
4. The company has no profit before tax loss or negative during the period 2014 to 2016, as it will lead to negative ETR.

Of the total population LQ45 companies listed in Indonesia Stock Exchange in 2014 to 2016 as many as 45 companies, which meet the above criteria acquired 15 companies that are used as samples.

Variable Operational Definition and Measurement of Variables

Corporate Social Responsibility Disclosure (CSR)

The first variable is the Corporate Social Responsibility Disclosure, we follow Wijayanti et al 2016) by calculate as ratio scale described below:

Corporate Social Responsibility Disclosure

$$\text{CSRDI} = \Sigma \text{Xi} / \text{n} \quad \text{(a)}$$

Firm's Size (SIZE)

According to Kris (2013) The size of the company showed great or small wealth (assets) owned by the company. We follow Siregar, 2016 to measure Firm's Size as ratio scale described below:

$$\textit{Size} = \text{Ln (Total Assets)} \quad \text{(b)}$$

Leverage(LEVERAGE)

According to (Halim & Hanafi, 2009) Leverage ratios understanding or often also called solvency is a ratio that measures the ability of the company meet its long-term obligations. We follow Siregar, 2016 to measure Firm's Size as ratio scale described below:

$$\textit{Leverage} = \frac{\text{Total Debt}}{\text{Total Assets}} \quad \text{(c)}$$

Capital Intensity (IMODAL)

Discrebed as a ratio showing how large a proportion of fixed assets to total assets of the company (Muzzaki, 2015), and we follow Siregar (2016) measures by ratio scale as formulated below:

$$\text{CI} = \frac{\text{Total Net Fixed Assets}}{\text{Total Assets}} \quad \text{(d)}$$

Board of Commissioner Independent (BOARD/DEWAN)

The proportion of Board of Commisioners Independent can be calculated by counting the percentage of board members who come from outside the company to the company's entire board size samples (Ujiyanto, 2007), and we follow Nurjannah (2017) measures by ratio scale as formulated as Outside PDKI below:

$$\text{Outside PDKI} = \text{DK} / \text{UDK} * 100\% \quad \text{(e)}$$

Tax Avoidance (ETR)

This independen variable described as efforts that are legal and safe for the taxpayer because it is done in ways that do not violate and are not contrary to the provisions of taxation, in which the methods and techniques used tend to exploit the weaknesses contained in tax provisions (Pohan CA, 2016). And we follow Wijayanti et al (2016) by ratio scale as formulated below:

$$ETR = \frac{\text{Income Tax Expense}}{\text{Income Before Taxes}} \quad \text{(f)}$$

Research methods

The method of this research is associative. According Sugiyono this associative study (2012) is "an associative research study that aims to determine the relationship between two or more variables. With this study, it will be constructed a theory that could serve to explain, predict and control the symptom ".

Data and Sample Collection Techniques

Data collection techniques used in this study using data collection techniques of financial statements, annual reports and company accountability report published in www.idx.co.id. The collection of samples using purposive sampling method that is sampled on the basis of suitability characteristics of the sample selection criteria have been found.

Descriptive Statistics Analysis

The descriptive data to display information relevant-information contained in the data. Description of the variables used in this study includes data such as the average (mean), standard deviation, minimum and maximum. The following tables present the descriptive statistical table of variables Corporate Social Responsibility, Size, Leverage, Capital Intensity and Board of Commissioner Independent .

Tabel 1 Descriptive Statistics

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
CSR	45	,10	,73	,3318	,14554
SIZE	45	16,16	20,76	17,9691	1,49852
LEVERAGE	45	,14	,88	,5564	,20963
IMODAL	45	,01	,73	,3264	,22542
ETR	45	,11	,49	,2647	,08289
DEWAN	45	29.00	80.00	43.4000	14.57021
Valid N (listwise)	45				

The table above shows the results of descriptive statistical table variable Corporate Social Responsibility, Company Size (Size), Leverage, Capital Intensity, and Independent Commissioner Board as follows:

1. Variable Corporate Social Responsibility (X1) coined the highest value of 0.73, the lowest value of 0:10, the average value (Mean) 0.3318 and has a standard deviation of 0.14554.
2. Variable Size (X2) has the highest value 20.76, 16:16 lowest value, average value (Mean) 17.96691 and have a standard deviation of 1.49852
3. Variable Leverage (X3) has the highest value of 0.88, the lowest value of 0:13, the average value (Mean) has a standard deviation of 0.5564 and 0.20963.
4. Capital Intensity (X4) has the highest value of 0.73, the lowest value of 0:01, the average value (Mean) has a standard deviation of 0.3264 and 0.22542.
5. Tax Avoidance variable (Y) has the highest value of 0:49, 0:11 lowest value, average value (Mean) has a standard deviation of 0.2647 and 0.8289.
6. BOC Independent Variables (Z) has the highest value of 80.00, the lowest value of 29.00, the average value (Mean) 43,400 and has a standard deviation of 14.570

Hypothesis testing

Test The coefficient of determination (R2)

Tabel 2 Model Testing 1

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.594[a]	.353	.288	,06993

a. Predictors: (Constant), IMODAL, CSR, LEVERAGE, SIZE

b. Dependent Variable: ETR

On the table above the known value of Adjusted R Square of 0.288 or 28.8%, which shows how the influence of the independent variable on the dependent variable. So 28.8%, Tax Avoidance is affected by the Corporate Social Responsibility, Size, Leverage and Capital Intensity, and the remaining 71.2% Tax Avoidance is influenced by other factors that are not used in this study.

Tabel 3 Model Testing 3

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.661a	.437	.365	, 06 603

a. Predictors: (Constant), BOARD, CSR, IMODAL, SIZE, LEVERAGE

Table value of Adjusted R Square is 0.365 or 36.5%, which shows how the influence of the independent variable on the dependent variable in the presence of a moderating variable. So 36.5%, Tax Avoidance is affected by the Corporate Social Responsibility, Size, Leverage and Capital Intensity, and with the Board of Commisioners Independent asnmoderating variable. and 63.5% Tax Avoidance is influenced by other factors that are not used in this study. The results table it can be seen that the Board of Commissioners Independent as a moderating variable can adjusting a relationship between Corporate Social Responsibility, Size, Leverage and Capital Intensity Towards Tax Avoidance.

Test F

F statistical test indicates whether all the independent variables or free inclusion in the model have jointly influence on the dependent variable. The test is performed using a significance level of 5%. If the significance value F <0.05 means that a significant difference between all independent variables on the dependent variable. If the significance value F> 0.05 means that there is no influence of the independent variables on the dependent variable. In addition, if F count> F table it can be concluded that all independent variables simultaneously and significantly affect the dependent variable.

Tabel 4. F Test Result ANOVAa

Model		Sum of Squares	df	mean Square	F	Sig.
1	Regression	.132	5	.026	6,066	.000b
	residual	.170	39	.004		
	Total	.302	44			

a. Dependent Variable: ETR

b. Predictors: (Constant), BOARD, CSR, IMODAL, SIZE, LEVERAGE

Based on the above table it is known that the results of ANOVA test or F count equal to 6.066 with significance 0.000 <0.05 then H4 accepted. In addition, based on the F table at 2,600, then F count> F table (6.066> 2.86), it can be concluded that the regression model on Variable Corporate Social Responsibility, Size, Leverage and Capital Intensity together (simultaneously) effect on Tax Avoidance as Board of Commissioner Independent as Variable Moderation.

t Test

The t-test was conducted to determine whether the independent variables in the regression model individually affect the dependent variable. Criteria for decision making be based on comparison of the value of significance. If the significance value <0.05 it means that the independent variable has an influence on the dependent variable. If the significance value ≥ 0.05, then it means the independent variable has no effect on the dependent variable. The test results are as follows:

Tabel 5 t test Result 1

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.658	.179		3.667	.001
	CSR	.123	.076	.216	1.627	.112
	SIZE	-.030	.009	-.541	-3.286	.002
	LEVERAGE	.165	.061	.418	2.723	.010
	IMODAL	.034	.064	.093	.535	.596

a. Dependent Variable: ETR

According to the table above we can know that:

1. *Corporate Social Responsibility* have t count equal to 1,627 with significant value 0.112> 0.05. This shows that Corporate Social Responsibility has no effect on Tax Avoidance.
2. Size have t count equal of -3.286 with a significance value 0.002 <0.05. This shows that the size of the Company's negative effect on Tax Avoidance.
3. Leverage have t count equal to 2.723 with 0.010 significance value <0.05. This shows that the Leverage positive effect on Tax Avoidance.
4. Capital intensity have t count equal to 0,535 with significant value 0.596 < 0,05. This shows that capital intensity had no effect on Tax Avoidance.

Tabel 6 t test Result 2

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	.586	.172		3.406	.002
	CSR	.129	.071	.226	1.799	.080
	SIZE	-.024	.009	-.430	-2.659	.011
	LEVERAGE	.237	.065	.600	3.675	.001
	IMODAL	.061	.062	.165	.989	.329
	DEWAN	-.002	.001	-.357	-2.420	.020

a. Dependent Variable: ETR

Based on the above table shows that:

1. *Corporate Social Responsibility* have t count equal to 1,799 with significant value 0.080 > 0.05. This shows that Corporate Social Responsibility has no effect on Tax Avoidance.
2. Size have t of -2.659 with a significance value of 0.011 < 0.05. This shows that the size of the Company's negative effect on Tax Avoidance.
3. Leverage have t count equal to 3,675 with significant value 0.001 < 0.05. This shows that the Leverage positive effect on Tax Avoidance.
4. Capital intensity have t count equal to 0.989 with a significance value of 0.329 > 0,05. This shows that the capital intensity had no effect on Tax Avoidance.
5. Board of Commissioner Independent have t calculate equal to -2.420 with a significance value of 0.20. This shows that the Board of Commissioners Independent effect on Tax Avoidance.

IV. CONCLUSION

This study is in line with research conducted by (Jessica & Tolly, 2014), (Winarsih & et al, 2014) and (Wahyudi, 2015), According to Wahyudi (2015) practices of CSR in Indonesia is still considered quite low and still voluntary. Wirnasih et al., (2014) in his research stating that CSR reporting can not be a measure of performance because the company's CSR CSR information disclosed in the report do not necessarily correspond with the actual conditions. CSR in this study conducted by observing whether or not an item of information contained in Sustanaibility Report. While the control of the parties authorized to CSR reports also do not necessarily have to kebeneran of reported company regarding its CSR activities can not be accounted for.

Size large or small company shows the company's wealth. This study is in line with research conducted by(Munandar, 2015)stating the bigger the size of the company, it will decrease the amount of tax evasion. company size is a factor that lowers the value of tax avoidance because the big companies are better able to use its resources to create a good tax planning. Research conducted by(Jogiyanto, 2000) and (Kurniasih & Sari, 2013)stated that the size of the company demonstrates the stability and the company's ability to carry out its economic activity. The larger the size of a company, the more the center of attention of the government and will be a tendency for managers to apply submissive or aggressive in taxation.

Companies that have a high tax burden can make tax savings by increasing the company's debts. By increasing debt in order to obtain large tax incentives it can be said that the company is doing against tax evasion. The results support the research Ozkan (2001) and Choi (2003), which the company has a high tax burden more to take out a loan in order to benefit from a reduction in interest on the debt so that the taxes paid will be smaller.

Research conducted by Haryadi (in (Maesarah, Atikah, & Husnaini, 2015)said the company is not deliberately keep a large proportion of assets for tax evasion, but the company is using the fixed asset for the purpose of the company's operations, the use of fixed assets is able to improve the company's operations and increase net income higher than depreciation charged on fixed assets. This is due to the company making the policy on depreciation of fixed assets in accordance with applicable tax laws so that companies no longer need to undertake fiscal correction on fixed assets in the calculation of tax payable for every year end.

The test results simultaneously ie Corporate Social Responsbility, Size, Leverage and Capital Intensity on Tax Avoidance with BOC Independent as Variable Moderation. Results of testing the variable gain value of 0.000 <0.05 then the H5 accepted. Thus, the Corporate Social Responsbility, Size, Leverage and Capital Intensity effect on Tax Avoidance with BOC Independent as Variable LQ45 Moderation in the Company category listed in Indonesia Stock Exchange (IDX) Year 2014-2016.

Results of research conducted on the formulation of the problem by using simple and multiple regression analysis can be concluded that *Corporate Social Responsibility* no effect on Tax Avoidance, Size negatively affect on Tax Avoidance, *Leverage* positive effect on Tax Avoidance, Capital intensity has no effect on Tax Avoidance and *Corporate Social Responsbility*, Size, Leverage and Capital Intensity effect on Tax Avoidance with BOC Independent as Variable Moderation.

For Future studies, researcher could be examined by other indicators, the audit committee, executive characteristics, profitability and others. Future studies may add tax evasion proxies like Book-Tax Difference, GAAP ETR etc. and the object of study can be extended not only limited to companies LQ45. For companies that may be material to increase knowledge and insight on Tax Avoidance, so that the company's management can design the mechanism of its implementation is well, with no illegal tax planning so that companies do not commit fraud tax (Tax Evasion). For the government in order to improve supervision of the business entity melaporakan tax obligations, as well as providing adequate knowledge to taxpayers in order to obtain an optimal tax revenue, while also the awareness of tax officials to provide a system of justice and fairness to avoid the practice of tax evasion.

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