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Effect of Liquidity, Leverage, Inventory Intensity, and Intensity of Fixed Assets on Tax Aggressiveness

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ABSTRACT

This study is aimed to know and to prove the influence of liquidity, leverage, inventory intensity, and fixed asset intensity on tax aggressiveness (empirical study on consumer goods companies listed on the Indonesia Stock Exchange for the period 2017-2019). The population in this study were all consumer goods sector companies listed on the Indonesia Stock Exchange (IDX) from 2017 to 2019. The sample in this study was 33 selected companies. The type of data used in this study is secondary data in the form of documentation of the Financial Statements of Consumer Goods Companies listed on the Indonesia Stock Exchange for the period 2017-2019. The method of analysis used in this study is logistic regression analysis. The result of this study showed that inventory intensity had an effect on tax aggressiveness, while liquidity, leverage and fixed asset intensity had no effect on tax aggressiveness in corporate taxpayers registered on the Indonesian stock exchange.

Keywords: Fixed Asset Intensity, Inventory Intensity, Leverage, Liquidity, Tax Aggressiveness

INTRODUCTION

Tax is one of the biggest sources of income for the state which will be used to carry out development. Taxes have two main functions, namely the budgetair function and the regularend function (Halim, Bawono, & Dara, 2014, p. 4). The budgetair function describes taxes as the biggest contribution to state revenues. Meanwhile, the regularend function describes taxes as a tool to regulate society or carry out government policies in the social and economic fields. Data on the effectiveness of tax collection in Indonesia from 2013–2019 is presented in table 1:

Table 1
Effectiveness of Tax Collection in Indonesia

Year	Target (In Trillion Rupiah)	Realization (In Trillion Rupiah)	Effectiveness Tax Collection
2013	1.148,4	1.077,3	93,8 %
2014	1.246,1	1.146,9	92 %
2015	1.489,3	1.240,4	83,3 %
2016	1.539,2	1.285,0	83,5 %
2017	1.450,9	1.339,9	91 %
2018	1.424	1.351,9	92,4%%
2019	1.577,6	1.332,1	84,4 %
2020	1.198,8	1.070	89,3 %
Average			88,7 %

Source: Data Processed,_2020

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Based on table 1 above, it can be seen that Indonesia's state tax revenue for 2013-2020 has fluctuated, where the realization of revenue from the tax target is still not as expected. The average effectiveness rate of tax collection in Indonesia in 2013-2020 is 88.7%. The effectiveness of tax collection tends to fluctuate downward from 2013-2016 and has increased by almost 8% in 2017 but has decreased again by 8% in 2019 and in 2020 by 89.3%.

The phenomenon in the data in table 1 shows that the tax collection has not been able to run optimally. The Indonesian government is trying to make efficiency, especially changing tax regulations in an effort to maximize tax revenue, one of which is by simplifying tax calculations regulated in Law No. 36 of 2008 article 17 paragraph 2a which states the determination of the corporate tax rate of 25%. This effort by the government is expected to increase tax revenue and benefit taxpayers so that revenue from taxpayers can increase (Muzakki, 2015).

In the aspect of the Tax Ratio, according to the data in table 2 it shows fluctuating changes, namely:

Table 2

Tax Ratio to GDP or Indonesian Tax Ratio

2015	2016	2017	2018	2019	2020
11,6	10,8	10,7	11,5	10,7	8,94

Source: Data processed, 2021

Based on table 2 above, it can be seen that the target tax ratio (tax ratio) in 2020 is only 8.94%, experiencing a significant decrease compared to previous years. The government took action by issuing PMK no. 86 of 2020 concerning tax incentives affected by covid 19. The efforts to optimize tax revenues carried out by the Indonesian government also have several obstacles. One of the obstacles to optimizing tax revenue is tax aggressiveness by companies, where according to Muzakki (2015) tax aggressiveness is defined as everything that companies do to minimize company tax costs. Corporate taxpayers (companies) are organizations that aim to obtain the maximum profit in theory of tax rules. The amount of the tax burden is directly proportional to the amount of income. The greater the income, the greater the tax burden to be paid. Therefore, corporate taxpayers will try to minimize the tax burden by carrying out tax aggressiveness.

The phenomenon of tax aggressiveness in Indonesia is shown based on the Tax Justice Network report entitled The State of Tax Justice 2020: Tax Justice in the time of Covid-19, it is stated that as much as US$4.78 billion, equivalent to Rp. 67.6 trillion, of which is the result of evasion corporate tax in Indonesia. The report states, in practice multinational companies divert their profits to countries that are considered tax havens. The goal is not to report how much profit is actually generated in the country of doing business. Corporations end up paying less in taxes than they should.

Tax Justice Network compares in the current pandemic situation, the amount of tax evasion is equivalent to 1.09 million medical staff salaries. Referring to the health stimulus in the 2020 National Economic Recovery (PEN) program, Rp. 68.7 trillion in tax evasion can cover 70.5 percent of the total health ceiling of Rp. 97.26 trillion. The tax evasion figure is also higher than the sectoral stimulus ceiling, ministries/agencies, local governments in the PEN program, which is IDR 65.97 trillion or a corporate financing budget of IDR 62.22 trillion. Meanwhile, in The State of Tax Justice 2020: Tax Justice in the time of Covid-19, Indonesia is ranked fourth in Asia after China, India and Japan (Sukmana, 2020)

Rusydi & Martani (2014), the phenomenon of tax aggressiveness committed by companies as corporate taxpayers can be explained using agency theory. In the agency relationship explained by agency theory, agency problems arise. On the one hand, management wants increased compensation through high profits. On the other hand, shareholders want to reduce tax costs through low profits. The company's management in order to bridge this agency problem uses aggressive tax avoidance to optimize these two interests.

Watts and Zimmerman (1986) in (Harnovinsah & Mubarakah, 2016) Positive accounting theory (PAT) clearly seeks to explain accounting policies as a problem for companies and stakeholders related to financial statements, in choosing accounting policies to be chosen by

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companies in certain conditions. Positive accounting theory uses agency theory to explain and predict accounting policy choices by managers. According to Adisamartha & Noviari (2015), there are several factors that can influence a company to take tax aggressiveness, including liquidity, leverage, inventory intensity, and the company's fixed asset intensity.

Liquidity is a ratio that describes a company's ability to meet its short-term obligations (debt) (Kasmir, 2015, p. 129). Companies with high profits will have a high liquidity ratio. The higher the company's liquidity ratio, the more the company will try to allocate profits for the current period to the next period on the grounds that the level of tax payments is high if the company is in good condition. The higher the company's liquidity ratio, the higher the action to reduce profits on the grounds of avoiding a higher tax burden (Adisamatha & Noviari, 2015). From this explanation, it is in line with agency theory that managers (agents) want to maximize company profits in the form of profit and have an impact on tax obligations where the deferred tax burden will be higher. For this reason, the company must prepare the level of liquidity for short-term obligations.

Leverage is another factor that can influence companies to avoid taxes, according to Riyanto (2001) in (Nugraha & Meiranto, 2015, p. 4), leverage is defined as the use of assets or funds whose use has an obligation to pay fixed costs. Leverage arises when the company finances assets with borrowed funds that have interest charges. The size of a company's leverage can affect the size of the tax burden that must be paid by the company. This is because interest costs from loans used by companies can reduce the calculation of the tax burden that must be paid by companies, so that tax payments become smaller. In relation to agency theory, the agent wants to maximize profits while the principal wants a lower tax payment, so the company tries to take action to increase the company's long-term debt to finance its assets. Companies with high leverage levels will not be aggressive in terms of taxation because companies must maintain their profits because they are bound by the interests of creditors. If the company tries to increase profits, the tax burden paid will also increase.

Inventory intensity is a ratio that describes the amount of a company's investment in inventory. PSAK 14 no. 13 states that there is some waste caused by high levels of inventory. Larger inventories will incur various kinds of additional costs such as material costs, labor costs, production costs, storage of goods, administrative and general costs, and selling costs. These costs will reduce the profit earned by the company and automatically reduce the amount of tax paid by the company. In the aspect of agency theory, agents (managers) want to maximize company profits. However, it is possible that managers also try to want a low tax burden (tax aggressiveness) by maximizing the additional cost of inventory so as to minimize the company's deferred tax burden.

The intensity of the company's fixed assets illustrates the amount of company investment in the company's fixed assets. The choice of investment in the form of fixed assets regarding taxation is in terms of depreciation (Dharma & Ardiana, 2016). The depreciation expense that must be borne by the company will be even greater if the intensity of the company's fixed assets is high. This will result in a reduction in corporate profits so that corporate profits will shrink and corporate tax aggressiveness increases. In relation to agency theory, that the agent (manager) will invest the company's idle funds to invest in the form of fixed assets, with the aim of making a profit. On the principal's side, the deferred tax burden is lower, with a large fixed asset investment that has a high depreciation expense, thereby making the tax liability smaller.

Previous research that examines tax aggressiveness includes Adisamartha (2015), where the results of his research show that Liquidity and Inventory Intensity have a positive effect on the aggressiveness of corporate taxpayers. Meanwhile, Leverage and Fixed Asset Intensity have no effect on corporate taxpayer aggressiveness. Then according to Djeni et all (2017) it shows that liquidity has a significant negative effect on tax aggressiveness, leverage and capital intensity do not have a significant positive effect on tax aggressiveness and independent commissioners do not have a significant negative effect on tax aggressiveness. The results of research by Ida Ayu et all (2019) prove that profitability, capital intensity, and inventory intensity have a positive effect on tax aggressiveness. Research by Nugraha and Meiranto (2015) shows the inconsistency of research results by proving that leverage and capital intensity have a significant negative effect on corporate tax aggressiveness, therefore there is a research gap from previous studies.

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This study follows up research conducted by Adisamartha & Noviari (2015). The independent variables used are liquidity, leverage, inventory intensity, and fixed asset intensity. This research was conducted at companies in the consumer goods sector, because this sector is one of the 5 main contributors to Indonesia's economic growth of 22.7% (Siti, 2020). In addition, this sector has also experienced quite good development and growth. Companies in this sector will also not be affected by the global crisis because the food and beverage sector is a staple that is always needed for everyday life. The research period, where this research was conducted in the last 3 years, namely the 2017-2019 period. The results of previous research studies showed that there were inconsistent results on the variables that explained tax aggressiveness, thus motivating researchers to re-examine the research variables.

LITERATURE STUDY

Agency Theory

Agency theory was developed in the 1970s primarily from the writings of Jensen and Meckling. Jensen and Meckling (1976) explain that agency relationships occur when the principal (shareholder) provides a service and authority to the agent (manager) to make decisions in running the company. Agency problems then arise because of differences in interests between shareholders and managers. Shareholders as capital providers want to get the maximum return on their investment returns, while management who is authorized to manage the company is assumed to want to get high financial compensation from the company. It is this desire to maximize each other's welfare that sometimes causes management to adopt company policies that are not in line with the interests of shareholders.

Agency problems do not only occur between shareholders and managers, but can also occur between controlling shareholders and non-controlling shareholders. If there is non-controlling share ownership in the company, a new agency problem will arise, namely a conflict between the controlling shareholder and the non-controlling shareholder. The cause of the agency problem is due to the separation of control rights and cash flow rights of controlling shareholders through cross-ownership or a pyramid structure between companies. Differences in control rights and cash flow rights encourage controlling shareholders to expropriate by arranging transactions within the company that can harm non-controlling shareholders (Midiastuty, Indriani, Suranta, & Putri, 2016).

Agency theory aims to solve: (1) agency problems that arise when there is a conflict of objectives between the principal and the agent and difficulties for the principal to verify the agent's work, (2) the problem of risk sharing arises when the principal and agent have different behavior towards risk. Problems due to differences in risk preferences (Ikhsan, Lesmana, & Hayat, 2015, p. 81).

Agency theory leads to agency relations, namely the giving of a mandate by the owner (principal) to the worker (agent). Agency theory uses three assumptions about human nature, namely: (1) humans are generally self-interested, (2) humans have limited thinking about the future (bounded rationality), (3) humans always avoid risks (risk averse).) (Ikhsan, Lesmana, & Hayat, 2015, p. 81).

The difference in interests between the principle and the agent can influence various matters relating to the company's performance, one of which is the company's policy regarding corporate taxes. The tax system in Indonesia that uses a self-assessment system gives authority to companies to calculate, pay and report their own taxes. The use of this system can provide opportunities for agents to manipulate taxable income to be lower so that the tax burden borne by the company is smaller. This is done by the agent because there is asymmetric information with the principle so that the agent can take advantage of the cooperation outside the agreement with the principle due to tax management carried out by the agent (Nugraha & Meiranto, 2015, p. 23).

Tax Aggressiveness

According to Frank, Lynch, & Rego (2009), defining corporate tax aggressiveness is an act

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of manipulating taxable income by companies through tax planning, either using methods that are classified legally (tax avoidance) or illegal (tax evasion).

Tax aggressiveness is an action that aims to reduce the amount of taxes that are common among companies around the world that are not in accordance with public expectations and are detrimental to the government. Lanis (2013) said that tax aggressiveness is a strategy carried out by companies to reduce the amount of taxes that are not in line with people's expectations.

The main benefit derived from tax aggressiveness is savings in spending on taxes so that the profits obtained by owners/shareholders become even greater (Suyanto, 2012, p. 13). These savings are indeed an advantage for shareholders, but managers as decision makers also benefit if the manager's compensation is determined from tax management efficiency efforts both directly and indirectly (Arfan, 2016).

This research will use the cash effective tax rate (CETR) proxy to measure tax aggressiveness. According to Dyreng et al (2010) in Dewinta & Setiawan (2016), CETR is good to use to describe tax aggressiveness because it has no effect on changes in estimates such as tax protection. If the CETR percentage level is low, which is far from the corporate income tax rate of 25%, it indicates that the tax aggressiveness of the company is high. In this study, to find out if companies carry out tax aggressiveness, it can be seen and shown from the results of CETR calculations, with the following measurement indicators:

1. If the CETR calculation results are <25%, it indicates that the company is carrying out tax aggressiveness
2. Meanwhile, if the results of the CETR calculation > 25% indicate that the company is not carrying out tax aggressiveness.

$$CETR_{it} = \frac{Tax\ Payment}{Profit\ Before\ Tax}$$

Liquidity

According to Fred Weston in Kasmir (2015, p. 129), the liquidity ratio is a ratio that describes a company's ability to meet its short-term obligations (debt). A company with a high liquidity ratio shows a high ability of the company to meet its short-term obligations, which indicates that the company is in a healthy financial condition and can easily sell its assets if necessary. Companies that have a high liquidity ratio are called liquid companies (Suyanto, 2012, p. 16).

The function of the liquidity ratio is to show or measure a company's ability to fulfill its obligations when they are due, both obligations to parties outside the company (business entity liquidity) and within the company (company liquidity). Thus, it can be said that the use of this ratio is to determine the company's ability to finance and fulfill obligations (debt) when billed.

In general, the main purpose of financial ratios used is to assess a company's ability to meet its obligations. However, besides that, from the liquidity ratio, other things that are more specific can be identified which are also related to the company's ability to fulfill its obligations. All of this depends on the type of liquidity ratio used (Kasmir, 2015).

Companies with high liquidity ratios indicate the company's high ability to meet short-term debt. This shows that the company's finances are in a healthy condition and have no problems regarding cash flow (Suyanto, 2012, pp. 23-24). Companies with high profit levels will have a high increase in capital (net assets). With a high level of net assets, companies can use it to increase their current assets (Yusriwati, 2012 in Adisamartha & Noviari, 2015).

Companies with high profits will have a high liquidity ratio. The higher the company's liquidity ratio, the more the company will try to allocate profits for the current period to the next period on the grounds that the level of tax payments is high if the company is in good condition. The higher the company's liquidity ratio, the higher the action to reduce profits on the grounds of avoiding a higher tax burden (Adisamatha & Noviari, 2015). Research Listiyani (2019) that liquidity can be operationalized using the Cash Ratio.

Leverage

Leverage is a ratio used to measure the extent to which a company's assets are financed

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with debt. This means how much debt the company bears compared to its assets. So, it can be said that leverage is used to measure a company's ability to pay all of its obligations, both short term and long term if the company is liquidated (Kasmir, 2015, p. 151).

Riyanto (2001) in Nugraha & Meiranto (2015, p. 32), defines leverage as the use of assets or funds whose use has an obligation to pay fixed costs. Leverage arises when the company finances assets with borrowed funds that have interest charges. Leverage level can describe the company's financial risk. According to Yulfaida (2012) in Nugraha & Meiranto (2015, p. 32), leverage is the amount of debt a company has for financing and can measure the amount of debt-financed assets. Companies with high leverage indicate that these companies depend on outside loans or debt, while companies with low leverage can finance their assets with their own capital.

Usually companies with high leverage levels will explain detailed information in financial reports as a way to avoid monitoring costs by investors compared to companies with low leverage levels (Ardyansyah, 2014 in (Nugraha & Meiranto, 2015, p. 33). The size of leverage on the company can affect the size of the tax paid by the company, this is because interest costs from debt can be deducted in calculating taxes so that the tax burden becomes smaller (Nugraha & Meiranto, 2015, p. 33).

Inventory Intensity

Inventory investments made by companies can be measured by the ratio between the amount of inventory and total assets (Richardson & Lanis, in Amelia 2015). This ratio can be used to analyze whether the company's investment in inventory is in accordance with needs or waste occurs.

Companies that have large amounts of inventory require large costs to manage existing inventory. Herjanto in Amelia (2015) explains that a large amount of inventory will result in large idle funds, increased storage costs, and a greater risk of damage to goods. Inventory is a very important asset for an entity for retail, manufacturing, service companies, and other entities (Martani et al in Amelia, 2015).

According to Lanis & Richardson (2012) in Luke & Zulaikha (2016), inventory intensity is measured by:

$$\text{Inventory Intensity} = \frac{Inventory\ Totals}{Assets\ Total} \text{ x } 100\%$$

Fixed Asset Intensity

The intensity of fixed assets is how big the proportion of the company's fixed assets is in the total assets owned by the company (Muzakki, 2015). Fixed assets are the asset component with the greatest value in the balance sheet (Financial Position Report) of most companies, especially capital-intensive companies such as manufacturing companies. Martani et al. (2012) in Amelia (2015, p.28), defines fixed assets as tangible assets that:

a. Held for use in the production or supply of goods or services, for rental to others, or for administrative purposes.
b. Expected to be used for more than one period.

PSAK no 16 revised 2011 states that fixed assets are tangible assets that are held for use in the production or supply of goods or services for rental to other parties, or for administrative purposes, and are expected to be used for more than one period. Fixed assets have an economic value that will continue to depreciate in accordance with the specified economic life. Depreciation according to PSAK No. 16 revision 2011 is a systematic allocation of the depreciable amount of an asset over its useful life. Useful life is the period over which an asset is expected to be used by the entity or the amount of production or similar units expected to be obtained from an asset by the entity.

Every fixed asset owned by the company will have a depreciation expense which will cause a burden thereby reducing the company's total net profit. Depreciation in tax management can be used as a deduction from the tax burden (Blocher, 2007 in (Adismartha & Noviari, 2015, p. 982).

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Fixed asset intensity describes the amount of company investment in the company's fixed assets. Fixed assets can be used by companies to avoid taxes (Dharma & Ardiana, 2016). The intensity of fixed assets used by Ardyansah and Zulaikha (2014), in Amelia, (2015, p. 66) and Adisamartha (2015) is measured by the following formula:

$$\text{Fixed Asset Intensity} = \frac{Fixed\ Assets\ Total}{Assets\ Total} \times 100\%$$

METHOD

This research was conducted to determine the effect of the independent variables on the dependent variable. There are 2 types of variables used, namely the dependent variable and the independent variable. The dependent variable used in this research is the tax aggressiveness of consumer goods companies. While the independent variables used are liquidity, leverage, inventory intensity, and fixed asset intensity of consumer goods companies.

The research object used in this study is consumer goods companies that are registered on the Indonesia Stock Exchange for the 2017-2019 period with data obtained from the website www.idx.co.id.

The unit of analysis in this study is an organization, namely a public company registered on the IDX, which is represented by financial data in the Financial Report of Consumer Goods Companies listed on the Indonesia Stock Exchange for the 2017-2019 period.

RESULTS AND DISCUSSION

Based on the results of descriptive statistics on the variables of tax aggressiveness, liquidity, leverage, inventory intensity and fixed asset intensity, they describe the minimum, maximum, mean and standard deviation levels. the results of descriptive statistics are:

Table 3. Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Tax Aggressiveness (CETR) (Y)	99	0	1	.34	.477
Liquidity (X1)	99	.638	951.908	104.49174	156.802168
Leverage (X2)	99	8.306	74.421	35.73560	15.823632
Inventory Intensity (X3)	99	1.102	56.801	19.78938	11.836954
Intensity of Fixed Assets (X4)	99	4.164	74.446	36.19732	15.418893
Valid N (*listwise*)	99				

The results of the feasibility test of the regression model can be seen in table 4 below:

Table 4
Regression Model Feasibility Test Results

Step	*Chi-square*	df	Sig.
1	4.655	8	.794

The test results based on table 4 show a Chi-square value of 4.655 with a significance of 0.794. Based on this, the significance value is greater than 0.05 (0.794> 0.05), so it can be concluded that the model is capable of predicting the observed value. This means that the regression model that is formed meets the eligibility for further analysis.

Table 5
Comparison of Initial -2LL Value with Final -2LL

Step 0	*-2 Log Likehood*	*Step 1*	*-2 Log Likehood*

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	127,381		118,610

The results of the coefficient of determination test provide information that the value of the coefficient of determination shown by Nagelkerke R Square is 0.117. This means that the variation in the dependent variable that can be explained by the independent variables is 11.7%, while the remaining 88.3% is explained by other variables outside the research model.

Hypothesis testing

Table 6
Hypothesis Testing Results

Independent Variable	Sig	Conclusion
Liquidity	0,118	No effect
Leverage	0,079	No effect
Inventory Intensity	0,017	Influential
Intensity of Fixed Assets	0,574	No effect

Liquidity based on the table above has a significance value of 0.118. This value is greater than 0.05 (0.118> 0.05), which means that H1 is rejected. So it can be concluded that liquidity has no effect on tax aggressiveness. Leverage based on the table above has a significance value of 0.079. This value is greater than 0.05 (0.079> 0.05), which means that H2 is rejected. So it can be concluded that leverage has no effect on tax aggressiveness. Inventory intensity based on the table above has a significance value of 0.017. This value is less than 0.05 (0.017 <0.05), which means that H3 is accepted. So it can be concluded that inventory intensity affects tax aggressiveness. The intensity of fixed assets based on the table above has a significance value of 0.574. This value is greater than 0.05 (0.574> 0.05), which means that H4 is rejected. So it can be concluded that the intensity of fixed assets has no effect on tax aggressiveness.

The Effect of Liquidity on Tax Aggressiveness

The first hypothesis in this study states that liquidity affects tax aggressiveness. The results of hypothesis testing show that the liquidity variable has a positive coefficient of 0.100 with a significance level of 0.118 which is greater than 0.05. Based on these results, this study rejects H1, so it can be concluded that liquidity has no effect on tax aggressiveness. Supported by existing data, it can be seen from the number of company sample data in this study, namely as many as 99 samples. There were 32 samples that had liquidity above the average value (1.0449 or 104.49%), and 14 samples indicated tax aggressiveness, while 18 samples had no indication of tax aggressiveness. Meanwhile, there were 67 samples that had liquidity below the average value (1.0449 or 104.49%), and 23 companies indicated that they were carrying out tax aggressiveness, while there were 44 companies that had no indication of tax aggressiveness. Based on these data it can be said that the company's liquidity, whether high or low, does not affect management's actions in carrying out tax aggressiveness. The results of this study are still unable to provide strong evidence regarding the influence of company liquidity on corporate tax aggressiveness.

The results of this study are in line with the results of research conducted by Fikriyah (2014) and Siti Lailatul Badriyah (2017). The insignificant relationship between liquidity and corporate tax aggressiveness in this study could be due to the relatively similar level of liquidity in consumer goods companies. This is proven in the descriptive analysis where the average current ratio of the sample companies is 1.0449 or 104.49% and the standard deviation value is 1.5680 or 156.80%. Liquidity that is too large illustrates the high amount of idle cash that is considered less productive and makes investors think twice about investing their funds in the company. However, if liquidity is too low, it will reduce the level of creditors' confidence in the company and can result in decreased loan capital by creditors. Therefore, it is possible that the consumer goods sector companies in this study sample maintain liquidity at a certain level to maintain investor and

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creditor confidence. Thus, there was no effect of tax aggressiveness on these companies.

Based on the results obtained from the frequency analysis, it shows that there are 62 companies with no indication of tax aggressiveness because the CETR level of these companies is relatively high, namely above 25%. Given the corporate tax rate starting in 2010 which is regulated in Law no. 36 of 2008 article 17 paragraph 2a is 25%, so the company is considered less aggressive in tax planning activities. So it can be concluded that with good liquidity, consumer goods companies do not make taxes their goal to minimize costs. The results of this study are different from the research of Adisamartha & Noviari (2015) which states that the liquidity variable has a positive and significant effect on tax aggressiveness. Whereas in research conducted by Djeni, Djumena, & Yuniarwati (2017) stated that the liquidity variable has a significant negative effect on tax aggressiveness.

The Effect of Liquidity on Tax Aggressiveness

The second hypothesis in this study states that leverage has an effect on tax aggressiveness. The results of hypothesis testing show that this study rejects H2, so it can be concluded that leverage has no effect on tax aggressiveness. This can be seen from the leverage variable which has a significance level of 0.079 which is greater than 0.05 with a coefficient of -0.413. Supported by existing data, it can be seen from the number of company sample data in this study, namely as many as 99 samples. There are 44 samples with leverage above the average leverage value (0.357677 or 35.77%), and 14 samples proven to be tax aggressive, while 30 are not tax aggressive. Meanwhile, 55 companies had leverage below the average leverage value (0.357677 or 35.77%), and 23 samples were proven to have committed tax aggressiveness, while 32 samples did not practice tax aggressiveness. Based on these data it can be said that corporate leverage, whether high or low, does not affect management's actions in tax aggressiveness. The results of this study are still unable to provide strong evidence regarding the influence of corporate leverage on corporate tax aggressiveness.

The results of this study are in line with the results of research conducted by Siti Laelatul Badriyah (2017), Adisamartha & Noviari (2015) and Fikriyah (2014). The results of this study indicate that leverage has no effect on tax aggressiveness, which means that high or low leverage values do not affect tax aggressiveness. Because in a company, to cover the shortage of funding needs, the company has a choice of sources of funds that can be used (Kasmir, 2015, p. 150). The source of funding in question is that companies use more internal or external funding. The company will give more consideration to the selection of sources of funds, depending on the goals, terms, benefits, and the company's ability to pay off these obligations (Kasmir, 2015, p. 150). So that companies make funding sourced from loans or debt not only to carry out tax aggressiveness. Of course, the company has also carried out an analysis regarding the possibility that the risk of making a debt decision will be greater, compared to the benefits that the company will get from avoiding taxes. The results of this study contradict the results of research conducted by Novia Bani & Wahyu Meiranto (2015) and Kuriah (2016) which state that the leverage variable has a significant negative effect on tax aggressiveness.

The Effect of Inventory Intensity on Tax Aggressiveness

The third hypothesis in this study states that inventory intensity affects tax aggressiveness. The results of testing the hypothesis show that this research accepts H3, so it can be concluded that inventory intensity affects tax aggressiveness. This can be seen from the inventory intensity variable which has a significance level of 0.017 which is greater than 0.05 with a coefficient of 0.619. Supported by existing data, it can be seen from the number of company sample data in this study, namely as many as 99 samples. There were 34 samples that had inventory intensity above the average value of inventory intensity (0.197778 or 19.78%), and 9 samples that proved to be tax aggressive, while 25 samples did not. Meanwhile, 65 companies had inventory intensity below the average value of inventory intensity (0.197778 or 19.78%), and 28 samples were proven to be tax aggressive, while 37 samples were not.

Inventory Intensity indicates how much inventory turnover occurs during the current period.

The higher the Inventory Intensity, the higher the company's efficiency in using inventory in one current period. The better the company manages inventory, the more efficient the company will be in managing the costs incurred due to high inventory. The costs in question are material costs, wage costs or labor costs, storage costs and administrative and general costs as well as selling costs. Companies with a high level of Inventory Intensity will be more aggressive towards taxes because the company will allocate current period profits to future periods so that the tax burden paid will decrease. The results of this study are in line with the results of research by Adisamartha & Noviari (2015) which states that the inventory intensity variable has a positive and significant effect on tax aggressiveness. And research by Luke & Zulaikha (2016) states that the inventory intensity variable has a negative and significant effect on tax aggressiveness.

The Effect of Fixed Asset Intensity on Tax Aggressiveness

The fourth hypothesis in this study states that fixed asset intensity influences tax aggressiveness. The results of hypothesis testing show that this study rejects H4, so it can be concluded that the intensity of fixed assets has no effect on tax aggressiveness. This can be seen from the fixed asset intensity variable which has a significance level of 0.574 which is greater than 0.05 with a positive coefficient of -0.129. Supported by existing data, it can be seen from the number of company sample data in this study, namely as many as 99 samples. There are 51 samples with fixed asset intensity above the average fixed asset intensity (0.3619732 or 36.19%). There are 22 samples of companies that have been proven to have committed tax aggressiveness and 29 samples that have not carried out tax aggressiveness.

Meanwhile, there were 48 samples of companies with fixed asset intensity below the average fixed asset intensity (0.3619732 or 36.19%). There are 14 samples of companies that have been proven to have committed tax aggressiveness and 34 samples that have not carried out tax aggressiveness. Based on these data, it can be said that the intensity of the company's fixed assets, whether high or low, does not affect management's actions in carrying out tax aggressiveness. The results of this study are still unable to provide strong evidence regarding the influence of the intensity of company fixed assets on corporate tax aggressiveness.

The results of this study are in line with the results of research conducted by Adisamartha & Naniek Noviari (2015) and Kuriah & Fun (2016). This study shows that the intensity of fixed assets has no effect on tax aggressiveness. This is because the company makes a policy on the fixed asset depreciation method in accordance with the applicable tax regulations, so the company does not need to make fiscal corrections related to the depreciation of fixed assets in the tax calculations for that tax year. The results of this study contradict the results of research conducted by Nugraha & Meiranto (2015) which states that the fixed asset intensity variable has a negative but not significant effect on tax aggressiveness.

CONCLUSION

The conclusion of this study shows that inventory intensity has an effect on tax aggressiveness while Liquidity, Leverage and fixed asset intensity have no effect on tax aggressiveness in consumer goods companies listed on the Indonesia Stock Exchange for the 2017-2019 period. The limitation in this study is that the Nagelkerke R Square value in this study is 11.7%, meaning that the independent variables in this study to explain the level of corporate tax aggressiveness are still low, only 11.7%. This shows that there are other variables that are not included in this research model which are thought to influence the level of corporate tax aggressiveness. Theoretical implications of this study are to provide understanding, description, knowledge and become a reference for future researchers in the same field of study, especially those who will examine Liquidity, Leverage, Inventory Intensity, Fixed Asset Intensity and Tax Aggressiveness. The practical implication of this research is that a good corporate taxpayer must carry out his tax obligations in accordance with applicable regulations and not violate regulations so that he does not harm the state and can support the country's development from the tax revenues paid. For the government, in this case the Director General of Taxes, as material for consideration

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of information in conducting supervision and studying further the tax aggressiveness of companies in Indonesia.

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