

The Impact of CSR, Capital Intensity, Inventory Intensity, and Intangible Assets on Tax Aggressiveness

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Abstract

Purpose: The purpose of this study is to determine whether tax aggressiveness is influenced by CSR, capital intensity, inventory intensity, and intangible assets.

Method: The sample was selected using a purposive samplings technique with the result of 61-unit analysis consist of transportation companies listed on the Indonesia Stock Exchange from 2016 to 2019. The analysis method used in this research is multiple regression analysis.

Finding: The study finds that CSR disclosure has a significant positive effect on tax aggressiveness, while capital intensity and inventory intensity have no effect on tax aggressiveness. In addition, intangible assets have a significant negative effect on tax aggressiveness.

Novelty: This study examines the effect of CSR disclosure, capital intensity, inventory intensity, and intangible asset on tax aggressiveness in transportation company period 2016-2019. The previous study only examines those variables separately and focuses on different samples and different periods.

Keywords: *CSR Disclosure, Tax Aggressiveness, Capital Intensity, Inventory Intensity, Intangible Assets*

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INTRODUCTION

The government has done various efforts to optimize tax revenue, one of which is by setting an obligation to all entrepreneurs who establish their business in Indonesia to pay taxes in accordance with Law Number 36 of 2008 concerning income tax. Another effort is to carry out a modern administration process of tax service, as well as the allocation of transparent use of tax revenues to increase taxpayer trust.

However, there are differences in interests between the government as a tax collector and companies/taxpayers as taxpayers. Companies try to pay as little tax as possible to maximize profits by doing tax aggressiveness.

Tax aggressiveness is an act of manipulation in reducing taxable income through tax planning (Frank et al., 2009). Tax aggressiveness is not only caused by the behavior of taxpayers' non-compliance with tax regulations but can also be caused by taxpayers' desire to make tax

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savings in accordance with regulations. Companies as taxpayers that take advantage of loopholes in tax regulations to save on the tax burden can be considered that the companies have taken tax aggressive actions even though these actions do not violate existing regulations (Kamila, 2014).

Tax aggressiveness is an action that does not consider the interests of stakeholders. Reducing corporate tax burden is one of the demands for management, but it is feared that management will take tax aggressiveness actions without paying attention to the long-term sustainability of the company as expected by shareholders, thus tax aggressiveness is considered an action that can harm stakeholders (Minnick & Noga, 2010). The government as a regulator is one of the company's stakeholders. Companies must pay attention to the interests of the government, one of which is by following all the regulations that have been made by the government, including obedience in paying taxes and not avoiding taxes (Kuriah & Asyik, 2016).

Tax aggressiveness has benefits and risks for company management. Chen et al. (2010) stated that the benefits of tax aggressiveness are increased cash flow and net income after tax, so managers can get greater compensation. However, tax aggressiveness also has various risks. Sari and Martani (2010) in Kristanto (2017) disclose the risk if the company is found to have done illegal tax evasion actions, i.e. the existence of sanctions from the tax authorities and damage to the company's reputation.

The phenomena of the case of companies doing tax evasion, one of which occurred at PT Toba Pulp Lestari. Quoted from the site (Majalah.tempoco accessed on February 15, 2020), it is reported that PT Toba Pulp Lestari has made efforts to avoid tax by manipulating export documents. At the end of 2018, the Indonesia Leaks team found a number of documents at customs duty showing a transaction between PT Toba Pulp Lestari and its two affiliated companies, DP Macao and Sateri Holdings Limited in China. The document was allegedly used by PT Toba Pulp Lestari to hide the company's profits in 2007-2016. Sateri Holdings Limited revealed that PT Toba Pulp Lestari was the main supplier of raw material for dissolving wood (DW) pulp and DP Macao was an intermediary agent to purchase products from PT Toba Pulp Lestari. Other documents show that Sateri Holdings Limited and PT Toba Pulp Lestari have the same parent company, namely Prospektus Lestari.

Based on the phenomenon above, it can be explained that PT Toba Pulp Lestari is indicated done tax evasion by deliberately manipulating export transaction recording documents to hide the true value of exports in order to avoid paying taxes in the country. PT Toba Pulp Lestari has done tax aggressiveness by committing tax evasion, where PT Toba Pulp Lestari should have been subject to customs duty on export transactions of Rp. 16.7 trillion but the transactions admitted by PT. Toba Pulp Lestari only amounted to Rp. 1.3 trillion. This phenomenon shows that tax aggressiveness in Indonesia is inseparable from the company's goal, which is to achieve high success with large profits.

The act of tax aggressiveness has been widely studied but is still an interesting topic to be re-examined. This is due to the factors that are expected to influence tax aggressiveness still giving inconsistent results. Several factors that have been studied include the disclosure of corporate social responsibility (CSR) conducted by Lanis & Richardson (2013), Andhari & Sukartha (2017), Hidayat et al., (2018), and Suprimarini & Suprasto (2017) show that CSR disclosure has a significant positive effect on tax aggressiveness. A different result is found in the research of Yunistina & Tahar (2017) and Mumtahanah & Septiani (2017) which show that CSR disclosure has a positive effect on tax aggressiveness.

The second factor is capital intensity. Capital intensity is an investment activity carried out by a company in the form of fixed asset investment. The company's investment in the form of fixed assets results in a depreciation expense from the fixed assets invested. The higher the value of fixed assets invested will be directly proportional to the depreciation expense borne by the company. The amount of the company's depreciation expense can affect the income tax burden to be paid. In investing in fixed assets, companies can use whichever depreciation method is considered to increase company profits.

Andhari & Sukartha (2017) show that capital intensity has a positive effect on tax aggressiveness. However, research conducted by Novitasari et al. (2016); Savitri & Rahmawati (2017), Rohmansyah (2017) show that capital intensity does not affect tax aggressiveness.

The third factor is inventory intensity. Inventory intensity is how much a company invests in its inventory. The larger the existing inventory, the greater the inventory cost, which includes the burden of storing and maintaining inventory. These costs can increase the company's operating expenses, which will reduce the company's profit so that it can affect the tax burden borne by the company. Companies that have high inventory intensity are considered more aggressive towards the tax burden.

Luke & Zulaikha (2016) have conducted research related to the effect of inventory intensity with tax aggressiveness and showed a significant negative result. This indicates that the greater the inventory owned by the company, the less aggressive the company is towards its tax obligations. However, the research of Savitri & Rahmawati (2017), Andhari & Sukartha (2017), and Windaswari & Merkusiwati (2018) show the result that inventory intensity does not affect the company's tax aggressiveness.

The last factor is intangible assets. Agency theory explains that to reduce information asymmetry between majority and minority shareholders, it can be done by presenting information related to intangible assets. The presentation of information related to these intangible assets will make financial statements seem more transparent.

Richardson & Taylor (2015) found that intangible assets have a positive and significant effect on income shifting which can be caused by differences in the interpretation of transfer price assessments where there are difficulties for companies in defining intangible assets and their measurements. The result of this study is supported by Nurhidayati & Fuadillah (2018) who found that intangible assets have a positive and significant effect on tax aggressiveness. Based on the phenomenon above, this study examines the Effect of CSR, Capital Intensity, Inventory Intensity, and Intangible Assets on Tax Aggressiveness.

The Grand theory used in this study is positive accounting theory. Positive accounting theory provides an option to take advantage of existing accounting policies to increase profits. In investing in fixed assets and intangible assets, companies can use the depreciation and amortization methods, which are considered to be able to increase company profits. In addition, the expense of maintaining and storing inventory can be used to carry out corporate tax aggressiveness.

Positive accounting theory provides companies the choice to invest in their inventories with the aim of increasing profits in the next period. Companies that have high inventory intensity are considered more aggressive towards tax burden. They can make efficient costs by allocating costs in the current period while reducing the tax burden they bear so that in the next period the company profits can increase.

CSR is the main support in terms of maintaining the image and loyalty of the company in the eyes of the stakeholders. One of the forms of responsibility that can be carried out by companies to their social environment is by contributing to paying taxes. Tax is a form of corporate social responsibility to its stakeholders through the government (Hidayat et al., 2016). Therefore, companies that engage in tax avoidance activities are companies that do not have social responsibility (Lanis & Richardson, 2013). Deegan (2002) in (Andhari & Sukartha, 2017) argued that tax-aggressive companies will be more possible to disclose additional information such as CSR activities to gain public sympathy.

Companies that carry out high CSR disclosures are considered to have a high concern for the welfare of the community. Therefore, companies that disclose CSR tend not to do tax aggressiveness as tax aggressiveness can reduce people's welfare. Tax aggressiveness is considered socially irresponsible and unacceptable (Lanis & Richardson, 2012). Lanis and Richardson (2012) concluded that the more the company invests in social activities, the less possible the company is to evade tax.

H₁ : The Disclosure of Corporate Social Responsibility has a negative effect on tax aggressiveness

Capital intensity is an investment activity carried out by a company in the form of fixed asset investment. In PSAK 16 (revised 2015), fixed assets are tangible assets that are owned and used in production activities or in providing goods and services, to be rented out to other parties, or for administrative purposes and are expected to be used for more than one period. The company's investment in fixed assets can cause depreciation expense. The amount of depreciation expense for fixed assets in tax regulations in Indonesia depends on the classification of fixed assets itself. Positive accounting theory provides an option to take advantage of existing accounting policies to increase profits, where in investing in fixed assets, companies can use which considered depreciation method to increase company profits.

The research result conducted by Andhari & Sukartha (2017) shows that capital intensity has a positive effect on tax aggressiveness. Companies that have high capital intensity will be more aggressive towards their tax obligations. However, in the research of Novitasari et al. (2016) and Indradi (2018) show that capital intensity does not have a significant effect on tax aggressiveness.

Companies that have high fixed assets (high capital intensity) will have high tax aggressiveness as well. This is due to the difference in depreciation expense according to accounting and depreciation based on tax. Gupta & Newberry (1997) stated that ownership of fixed assets is related to depreciation expense, which can be deduction income of taxable income. Capital intensity is predicted to have a positive effect on tax aggressiveness.

H₂ : Capital Intensity has a positive effect on tax aggressiveness

Inventory intensity is how much the company invests in the existing inventory in the company. Inventories in the company are part of current assets that are used for the company's operational activities in the long term. Companies that choose to invest in inventory will cause inventory maintenance and storage costs which can result in increased company expenses so that profits will decrease.

Companies that have a high level of inventory intensity will be more aggressive towards their tax obligations. The companies will carry out cost efficiency so that it is expected that corporate profit will increase in the next period. Positive accounting theory can provide companies a choice to invest in inventory in the hope of getting benefits and increasing profits in the next period.

Research conducted by Luke & Zulaikha (2016) concluded that the greater the inventory owned by the company, the less aggressive the company towards its tax obligations. However, the result of another research conducted by Savitri & Rahmawati (2017) shows that inventory intensity does not affect tax aggressiveness actions taken by the company. The company's investment activities in its inventory are considered inappropriate for tax planning. Companies with high inventory intensity tend to be less aggressive.

H₃ : Inventory Intensity has a negative effect on tax aggressiveness

Based on agency theory, agency conflicts can occur between shareholders and managers, where shareholders will take certain actions against company managers so that the desired prosperity can be increased. Shareholders will push managers to manage the excess information the company has in order to meet the company's interests. Thus, there is no gap for managers to take advantage of information related to the condition of the company for their own interests.

Intangible assets as one of the assets that are difficult to detect can be utilized by company managers to meet the interests of the company. Intangible assets will be easily transferred by the company to a subsidiary or to a company that has a strong relationship with the company. This condition will be easy for multinational companies to transfer intangible assets which have an impact on increasing the motivation of company managers in making decisions regarding tax aggressiveness (Jafri & Mustikasari, 2018).

The motivation of company managers to decide to do tax aggressiveness can occur in

companies with very large ownership of intangible assets. Large intangible assets in the company will be the center of attention from the government. This can create a new burden for the company due to the government's attention to the amount of taxes paid by the companies that have large intangible assets. The higher the intangible assets, the more aggressive the company's tax will be.

However, Jafri & Mustikasari (2018) proved that there is no effect of intangible assets on tax aggressiveness practices. This condition is due to an intangible asset is not a component in operational activities that can have an impact on the profits obtained by the company. Tax aggressiveness transactions done by the companies are an attempt by the companies to play the profits earned so that the company's obligation to pay taxes can be lower.

H₄: Intangible Assets positive effect on tax aggressiveness

The framework of thinking in this research can be described as follows:

METHODS

This type of research was a quantitative research. The data contained in this study were obtained from annual reports, sustainability reports (for those who issued), and information on transportation companies listed on the Indonesia Stock Exchange (IDX) for the 2016-2019 period. The data were obtained from the official IDX website, www.idx.co.id.

The sampling technique used in this research was using purposive sampling method by determining certain characteristics and criteria to produce a representative sample. The population was 61 transportation companies and 60 units of analysis meet the qualifications.

The data collection technique used was documentation sourced from the annual reports of transportation companies from 2016-2019 which were available on the official website of the Indonesia Stock Exchange (IDX), www.idx.co.id and sustainability reports (if the companies publish) from their respective company websites. The required information related to CSR disclosure and the GRI Standards index was obtained through the official website www.globalreporting.org. The descriptive statistical analysis provided very important numerical measures for the sample data. The descriptive statistical test for the mean, median, mode, standard deviation, maximum value, minimum value, and frequency distribution.

Inferential statistical analysis was used to analyze data quality (classical assumption test) and hypothesis testing. To produce a BLUE (Best, Linear, Unbiased Estimator) research model,

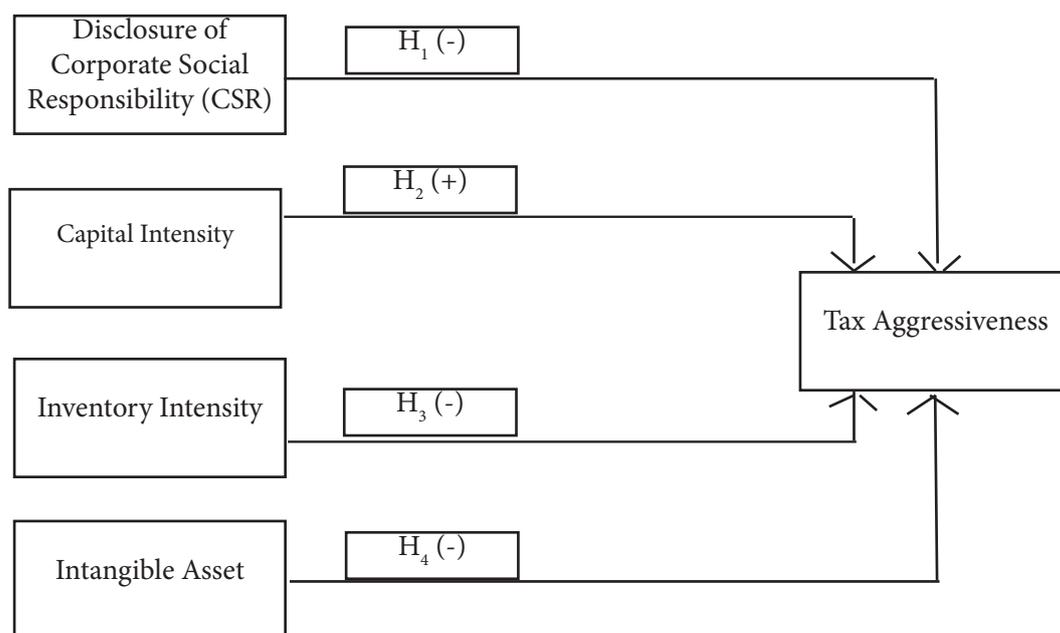


Figure 2.1 Framework of Thinking
Source: Processed from various sources, 2020

Table 1 Operational Definition and Measurement of the Variables

No	Variables	Definition	Measurements
Dependent			
1.	Tax Aggressiveness	Activities undertaken by companies to reduce the tax burden in order to get optimal profit. The higher the tax aggressiveness, the lower the CETR (tax aggressiveness is inversely proportional to CETR).	$CETR = \frac{Income\ Tax\ Payment}{Profit\ Before\ Tax}$ Novitasari et al. (2016)
Independent			
2.	CSR Disclosure	The disclosure of corporate social responsibility for social and environmental information that is beneficial to stakeholders. Measured by content analysis with 91 items based on GRI 4.0.	$CSRI = \frac{\sum\ CSR\ Items\ disclosed}{91\ disclosure\ items}$ Source: GRI G4 Standards
3.	Capital Intensity	A ratio used to show how much company assets are invested in fixed assets	$CI = \frac{net\ fixed\ assets}{total\ asset}$ Novitasari et al. (2016), Rohmansyah, (2017), Windaswari & Merkusiwati (2018)
4.	Inventory Intensity	A ratio used to show the proportion of inventory owned by the company to the corporate total assets	$INV = \frac{total\ inventory}{total\ asset} \times 100\%$ Andhari & Sukartha (2017)
5.	Intangible Asset	An asset that generally has a long useful life and does not have a physical form and has a use in the company's operations and its use is not for resale. (PSAK No.19, 2015)	$IA = \frac{Intangible\ Inventory}{Sales} \times 100\%$ (Ohnuma & Kato, 2015)

Source: Secondary data processed, 2020

classical assumption tests are carried out which consist of multicollinearity test, autocorrelation test, heteroscedasticity test, and normality test (Khafid, 2012). Statistical analysis used in this study was multiple regression analysis.

Multiple linear regression testing was carried out after the model in this study met the requirements of passing the classical assumption tests. For this reason, before conducting multiple linear regression testing, it is necessary to test first the classical assumptions consisting of the Normality Test, Multicollinearity Test, Autocorrelation Test, and Heteroscedasticity Test.

The following is a multiple linear regression model to examine the hypothesis in this study.

$$CETR = \alpha + \beta_1 CSR + \beta_2 CI + \beta_3 II + \beta_4 IA + \varepsilon \dots\dots\dots(1)$$

Explanation:

CETR = Cash Effective Tax Rate (Tax Aggressiveness)

α = Constant

CSR = CSR Disclosure

CI = Capital Intensity

II = Inventory Intensity

IA = Intangible Asset

ε = Standard Error

RESULTS AND DISCUSSION

Table 2 show the statistics descriptive result of the sample.

CETR shows that the average transportation company in Indonesia has a tax burden rate of 27.5% of operating profit. The higher the CETR, the lower the level of corporate tax aggressiveness. The average corporate CSR disclosure of 21% indicates that transportation companies in Indonesia disclose 21% of the information required by the GRI G4 standard (91 items). Capital intensity has an average of 0.92 indicating that 92% of the total assets of the sample companies are net fixed assets. The average inventory intensity of 0.17 indicates that 17% of total assets are inventories. Intangible assets have an average of 0.249, which means that intangible assets have a portion of 24.9% of sales.

Equation 2 shows the result of the regression analysis test. Based on the results of hypothesis testing, the conclusions of the hypothesis test results from the independent variables to the dependent variable are presented in table 4.

The Effect of Corporate Social Responsibility (CSR) Disclosure on Tax Aggressiveness

The first hypothesis in this study is that CSR disclosure has a significant negative effect on tax aggressiveness. The research result indicates that the disclosure of corporate social responsibility (CSR) has a significant positive effect on the level of tax aggressiveness. The negative coefficient on the CETR variable indicates a negative effect of CSR disclosure on the company's effective tax rate where the higher the CETR, the lower the level of corporate tax aggressiveness. Thus, CSR disclosure has a positive effect on the level of corporate tax aggressiveness.

The result of this study is not in accordance with the hypothesis but is in line with the research of Minor & Morgan (2011). Companies increase CSR activities and disclosures to minimize the reputational risk that may arise from aggressive tax avoidance practices (Minor and Morgan 2011). Companies disclose CSR to cover corporate tax aggressiveness. The result is in accordance with the research of Yunistina & Tahar (2017) and Mumtahanah & Septiani (2017).

The Effect of Capital Intensity on Tax Aggressiveness

The second hypothesis in this study is that capital intensity has a significant positive effect on tax aggressiveness. The research result based on the result of statistical tests shows that capital intensity does not have an effect on tax aggressiveness, so the second hypothesis (H_2) is rejected.

Capital intensity is an investment activity conducted by a company in the form of fixed asset investment (Andhari dan Sukartha, 2017). In this study, capital intensity is proxied by comparing the company's fixed assets with the total assets owned. Companies with high investment in fixed assets will have a high depreciation expense. In this study, it is found that capital intensity is not able to influence the companies in doing tax aggressiveness.

The finding that there is no effect between capital intensity and tax aggressiveness can also be observed from the result of the frequency distribution of the capital intensity variable in Table 2. The result shows that the highest percentage of capital intensity, which is 58.3%, is in the very low category, followed by the medium category at 15%. This means that companies

$$\text{CETR} = 0.003 - 1.634\text{CSRI} + 0.052\text{CI} - 0.353\text{II} + 0.042\text{IA} + \varepsilon \dots\dots\dots(2)$$

Table 2 Descriptive Statistical Result

	Min	Max	Mean	Standard Deviation
CETR	0.050	1.020	0.276	0.180
CSR	0.120	0.330	0.211	0.440
CI	0.170	2.840	0.920	0.655
II	0.020	0.410	0.176	0.086
IA	0.019	0.013	0.249	1.520

Valid N = 60

Source: Processed secondary data, 2020

Table 3 The Result of Multiple Linear Regression Test

		Unstandardized		Standard	t	Sig.
		Coefficients	Beta	Coefficients		
		Std. Error				
1	(Constant)	0.003	0.267		0.012	0.990
	CSRI	-1.634	0.644	-0.400	-2.535	0.014
	CI	0.052	0.035	0.190	1.504	0.138
	II	-0.353	0.290	-0.169	-1.216	0.229
	IA	0.042	0.018	0.355	2.291	0.026

Source: Processed secondary data, 2020

in the transportation industry sector have a relatively low investment in fixed assets so that the depreciation expense attached to the company's fixed assets is unable to influence the company's actions in tax aggressiveness.

The result of this study is not in line with the research conducted Andhari dan Sukartha (2017) which shows that capital intensity has a positive effect on tax aggressiveness. However, the result of this study succeeds in supporting the research of Savitri and Rahmawati (2017) and Novitasari et al. (2016). Research conducted Savitri dan Rahmawati (2017) shows that capital intensity does not affect tax aggressiveness. The result shows that companies with a high level of fixed asset intensity use these fixed assets for the benefit of the company, not to avoid taxes.

The result of this study is also not in line with positive accounting theory, which provides a choice of accounting policies to increase profits through investment in fixed assets by utilizing depreciation expense, which can reduce the tax burden so that the company obtains maximum profit. The researchers assume that the fixed assets owned by the companies are not able to influence the company's tendency to take tax aggressive actions. This is due to companies with a high level of investment in fixed assets are basically used for the company's operational interests which can increase company profits, not intentionally to reduce the tax burden to be paid by taking advantage of the depreciation expense attached to these fixed assets.

The Effect of Inventory Intensity on Tax Aggressiveness

The third hypothesis of this study is that inventory intensity has a significant negative effect on tax aggressiveness. The result of the study based on the result of statistical tests shows that inventory intensity has a negative relationship but has no effect on tax aggressiveness so the third hypothesis (H3) in this study is rejected.

Inventory intensity is an investment activity carried out by companies in the form of

Table 4 Conclusion of Hypothesis Test Results

No	Hypothesis	Explanation	β	Sig	Results
1	H ₁	CSR disclosure has a significant negative effect on tax aggressiveness	-1.634	0.014	Rejected
2	H ₂	Capital intensity has a significant positive effect on tax aggressiveness	0.052	0.138	Rejected
3	H ₃	Inventory intensity has a significant negative effect on tax aggressiveness	-0.353	0.229	Rejected
4	H ₄	The company's intangible assets have a significant positive effect on tax aggressiveness	0.042	0.026	Rejected

Source: Secondary data processed, 2020

inventory. Inventory intensity is proxied by comparing the total inventory owned by the company with total assets. Companies with high inventory intensity cause high inventory maintenance and storage costs. In this study, it is found that inventory intensity is not able to influence the company in carrying out tax aggressiveness. The finding that there is no effect between inventory intensity and tax aggressiveness can be observed through the result of the frequency distribution of the inventory intensity variable in Table 2. The result shows that the highest percentage of inventory intensity is 36.7%, which is in the medium category followed by the low category of 25%. This means that the transportation industry sector companies have inventory investments that are classified as moderate so the maintenance and storage costs that arise as a result of these inventory investments are not able to influence the companies in taking tax aggressive actions.

The result of this study is not in line with the research of Luke dan Zulaikha (2016). The result of his study indicates that inventory intensity has a negative effect on tax aggressiveness. However, the result of this study succeeds in supporting the research of Savitri dan Rahmawati (2017) and Andhari dan Sukartha (2017). Research conducted by Savitri dan Rahmawati (2017) shows that inventory intensity has no effect on tax aggressiveness. The result shows that the inventory intensity, which is part of the company's investment activities, is considered not the right way to take tax aggressiveness actions.

The researchers assume that the inventory owned by the companies are not able to influence the company's tendency to tax aggressiveness since companies with high inventory levels are used for sale in their operational activities to increase company profits not to take tax aggressiveness actions.

Intangible Asset of Inventory on Tax Aggressiveness

The fourth hypothesis, which states that intangible assets have a negative and significant effect on tax aggressiveness, is rejected. The result cannot prove that the intangible assets owned by the companies have an effect on the decision to make tax aggressiveness. The result shows a positive coefficient for Intangible Assets to CETR. Because CETR is inversely proportional to tax aggressiveness, it can be concluded that intangible assets have a negative effect on tax aggressiveness.

The result of this study is not in accordance with the research of Jafri & Mustikasari (2018), which states that high intangible assets will increase the motivation of managers in doing tax aggressiveness. This study concludes that the higher the company's intangible assets, the lower the company's intention to take tax aggressiveness actions.

The result of this study supports the research of Kusuma & Wijaya (2017), which states that

the negative effect of intangible assets on tax aggressiveness can occur since there are still many companies that do not pay attention to the intangible assets owned by the companies. Thus, the economic benefits obtained are not so maximal that companies will reduce tax aggressiveness decisions because the taxes paid are considered sufficiently suppressed.

The presentation of information about intangible assets will make the financial statements presented by the companies more reliable and trustworthy. A better corporate image will gain trust from stakeholders so that management will try not to take actions that can cause the value of the company to decrease, one of which is the practice of tax aggressiveness that is not in accordance with applicable regulations.

Companies that have owned intangible assets for a long time will try to maintain and even increase their value. Management will try to increase the value of intangible assets, which will have economic benefits in the future. This is due to the good image of the company that has been built from the start can increase company profits compared to increasing company profits through manipulation practices through tax aggressiveness schemes. Thus, the higher the intangible asset value owned by the companies, the lower the tax aggressiveness practice that will be carried out by the companies.

CONCLUSION

This study aims to determine how much effect the disclosure of corporate social responsibility (CSR), capital intensity, inventory intensity, and intangible assets has on income tax aggressiveness in transportation sector companies listed on the Indonesia Stock Exchange (IDX) in 2016-2019. Based on the data analysis and discussion that have been described in the previous chapter, the researchers can draw conclusions: (1) CSR disclosure has a significant positive effect on tax aggressiveness. This shows that CSR disclosure is in line with corporate tax aggressiveness since companies disclose CSR to minimize reputational risks that may arise due to corporate tax aggressiveness. (2) Capital intensity has no effect on tax aggressiveness. This indicates that the companies do not take advantage of depreciation expense to reduce the amount of corporate taxable profit and instead utilize the fixed assets for investment activities that can help the companies' operational activities in order to increase profits. (3) Inventory intensity has no effect on tax aggressiveness. This shows that the companies do not take advantage of the inventory maintenance burden to reduce the tax burden. Companies that have high inventory investment are used for sale in their operational activities to generate profits, not to do tax aggressiveness. (4) Intangible assets have a significant negative effect on tax aggressiveness. This is because companies that already have intangible assets will try to increase their value so that future economic benefits will increase. The good image of the company that has been built since the beginning can increase the company's profit compared to increasing company profits through manipulation practices through tax aggressiveness schemes.

This study is limited in terms of the observation period (2016-2019) so that it only observes the effect of CSR, capital intensity, inventory intensity, and intangible assets on tax aggressiveness in the short term. The long-term impact needs further scrutiny. CSR is measured using content analysis based on GRI G4, which has the potential for subjectivity in its assessment. Further research can also use other proxies in measuring CSR, for example by manual scoring based on GRI G4 conducted by two independent people so that the results are more objective and in-depth. Further research can also use CSR score calculations using the NVivo application to see the level of CSR disclosure using keywords that have been formed based on GRI standards.

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