

ABSTRACT

This study aims to examine the effect of financial distress, executive compensation, and board gender diversity on tax avoidance. This study uses the dependent variable (tax avoidance), independent variables (financial distress, executive compensation, and board gender diversity), and control variables (firm size, leverage, capital intensity, and industry profile).

The population used in this study are manufacturing sector companies listed on the Indonesia Stock Exchange in 2017-2020. By using purposive sampling in sample selection, 171 research samples were obtained for 4 consecutive years. The hypothesis of this research using multiple regression analysis method.

The findings of this study reveal that financial difficulties and board gender diversity have no effect on tax avoidance. The results also reveal that executive compensation has a negative effect on tax avoidance.

Keywords : Financial Distress, Executive Compensation, Board Gender Diversity, Tax Avoidance