

ABSTRACT

This study aims to analyze the influence of accounting irregularities and tax aggressiveness through audit committee activities and audit quality. Accounting irregularities as independent variable is measured by Beneish ratio. Tax aggressiveness as the dependent variable is measured using the Effective Tax Rate (ETR).

This study uses secondary data obtained from Indonesia Stock Exchange (IDX). This study used a sample of 84 manufacturing companies in the period of 2017. This study used purposive sampling method. Data analysis using descriptive statistical analysis, multiple linear regression analysis, classical assumption test, and hypothesis test.

The results obtained from this study indicate that accounting irregularities has a positive and significant relationship to tax aggressiveness. The interaction between accounting irregularities and audit quality has a negative effect on tax aggressiveness. However, the interaction between accounting irregularities and audit committee activities has no effect on tax aggressiveness.

Keywords: accounting irregularities, tax aggressiveness, accounting fraud, audit committee, audit quality