ABSTRACT

This study aims to examine the impact of tax avoidance on firm value. It also explores the relationship between firm value and other influencing factors, with a primary focus on the correlation and relationship between tax avoidance and firm value (Tobin's Q). The variables used in the analysis include the Effective Tax Rate (ETR), Debt to Equity Ratio (DER), firm size, Return on Assets (ROA), Dividend Payout Ratio (DPR), and Current Ratio (CR) as independent variables, while firm value, measured using Tobin's Q, serves as the dependent variable.

This study uses a sample of 9 companies from the information technology sector listed on the Indonesia Stock Exchange during the 2020-2023 period. Data analysis was conducted using panel data regression methods with the EViews 13 software to evaluate the impact of tax avoidance on firm value. Additionally, the study analyzes other variables that may influence firm value, such as profitability, firm size, and dividend policy, to provide a more comprehensive understanding of the factors affecting firm value.

The results of the study indicate that tax avoidance, as proxied by ETR, has no significant impact on firm value. However, debt, as proxied by DER, shows an influence on firm value.

Keywords: *Tax avoidance, effective tax rate, firm value*