

ABSTRACT

This study aims to examine the effect of profitability, leverage, and firm size on tax avoidance. The research was conducted on manufacturing companies listed on the Indonesia Stock Exchange (IDX) during the 2020–2024 period. The sample was selected using a purposive sampling method based on specific criteria, resulting in a total of 1.105 observational data. The analytical method used in this study is Partial Least Squares Structural Equation Modeling (PLS-SEM) analysis.

The test results show that the profitability variable has a significant positive effect on tax avoidance, indicating that the higher the profitability of a company, the greater its tendency to engage in tax avoidance practices. Meanwhile, the leverage and firm size variables do not have a significant effect on tax avoidance. This suggests that the level of debt and the size of a company do not substantially influence a company's decision to engage in tax avoidance.

Keywords: *Profitability, Leverage, Firm Size, Tax Avoidance*