

## **ABSTRACT**

*The purpose of this study is to examine whether corporate tax avoidance behavior affect firm value and agency cost in Indonesia. Further, this study conducted to find out whether information transparency moderating the relation between tax avoidance and firm value.*

*The population of this study is non financial firms that were listed on Indonesian Stock Exchange over the period 2013-2015. This study uses multiple linier regression model to examine whether tax avoidance behavior affect firm value and agency cost and whether information transparency moderating the relation between tax avoidance and firm value.*

*The results show that tax avoidance behavior significantly affect firm value and reduces agency cost. The researcher further finds that information transparency interacts with corporate tax avoidance, moderating the relation between tax avoidance and firm value.*

**Keywords**-*Tax avoidance, Firm value, Agency cost, Information transparency.*