

ABSTRACT

The purpose of this study is to examine the impact of some variable on tax haven utilization, which are: 1) the impact of multinationality on tax haven utilization; 2) the impact of transfer pricing aggressiveness on tax haven utilization; 3) the impact of thin capitalization on tax haven utilization; 4) the impact of intangible assets on tax haven utilization; and 5) the impact of audit quality on tax haven utilization. The dependent variable that used in this study is tax haven utilization. Multinationality, transfer pricing aggressiveness, thin capitalization, intangible assets and audit quality used as independent variables.

The sample of this study is 360 that consists of 72 Indonesian multinational companies that listed on the Indonesia Stock Exchange during the period 2014-2018. The data that used in this study was secondary data and selected by using purposive sampling method. The technique of analysis used for examining the hypothesis was Logistic Regression and OLS Regression analysis.

Based the empirical results of this study show that transfer pricing aggressiveness and thin capitalization affect tax haven utilization positively and audit quality affects tax haven utilization negatively. Meanwhile, multinationality and intangible assets don't affect tax haven utilization.

Keywords : tax haven utilization, multinationality, transfer pricing aggressiveness, thin capitalization, intangible assets, audit quality