

ABSTRACT

The purpose of this study is to examine of the effect of ownership structure on tunneling with tax avoidance as an intervening variable.

The sample in this study uses secondary data from company annual reports on manufacturing companies listed on the IDX in 2017-2019. This study used a purposive sampling method which resulted in a total of 368 data. The research hypothesis was tested using the Ordinary Least Squares Regression method with the Eviews application.

The results showed that managerial ownership, institutional ownership and foreign ownership had no effect on tax avoidance. Meanwhile, public ownership has a significant negative effect on tax avoidance. Managerial ownership, institutional ownership, foreign ownership, public ownership and tax avoidance have a significant negative effect on tunneling. Tax avoidance does not mediate the effect of managerial ownership, institutional ownership, foreign ownership and public ownership on tunneling.

Keywords: managerial ownership, institutional ownership, foreign ownership, public ownership, tax avoidance, tunneling.