ABSTRACT

The objectives of this study are to obtain empirical proof and analyze tax avoidance effect on the bankruptcy risk of firm. The population of this study is manufacturing companies listed in ASEAN-5 countries' stock markets from 2017 - 2019. In this study, the sample used was 758 firm-year data from a total of 465 companies based on mixed sampling (criterion sampling and random sampling). Data were analyzed using descriptive statistical analysis and overall model fit analysis. Logistic regression was used to examine the effect of tax avoidance on the bankruptcy risk. The results of this analytical study indicate that tax avoidance has a negative influence on bankruptcy risk.

Keywords: Tax avoidance, bankruptcy risk, bankruptcy prediction model