

ABSTRACT

The purpose of this study is to analyze the effect of corporate ownership structure and political connections on tax aggressiveness. Tax aggressiveness is an effort to reduce the level of tax burden by companies. The ownership structure in this research is the share ownership structure which includes managerial ownership, concentrated ownership and institutional ownership. The political connection in this research is if at least one of the company's leaders or majority shareholders has / is serving as a high-ranking state official, member of parliaments or ruling party official.

The population in this study is non-financial private companies listed in the Indonesia Stock Exchange (IDX) during the period 2013 to 2017. The sample observation method in this study is purposive sampling. The total sample used was 472 observations. This research used multiple linear regression as the main analysis tool.

The results of this research shows that concentrated ownership positively increase tax aggressiveness, meanwhile companies that have political connections in this research negatively reduce tax aggressiveness. However, managerial ownership and institutional ownership has no influence on tax aggressiveness.

Keywords: Ownership structure, Political connections, Tax aggressiveness