p-ISSN 2714-6308 | e-ISSN 2714-6294
Amnesty
Jurnal Riset Perpajakan

Corporate Tax Reduction Strategies: The Impacts of Institutional Ownership, Company Profitability, and Financial Leverage

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Keywords:
Tax avoidance, profitability, leverage

Abstract

Tax revenue is pivotal in funding crucial public services and infrastructure within a nation. Corporate tax avoidance strategies can have significant ramifications, undermining a country's capacity to adequately finance essential public systems such as education, public safety, transportation, and other vital community needs. The impact of corporate tax avoidance extends beyond individual firms, influencing the broader financial stability and economic development of the country. This study examines the influence of institutional ownership, profitability, and financial leverage on corporate tax avoidance practices. Drawing on agency theory and resource-based perspectives, the research investigates how these key firm-level factors shape tax minimization strategies. The findings indicate that institutional ownership and profitability do not have a significant effect on tax avoidance. However, increased financial leverage is associated with more aggressive corporate tax avoidance practices. The insights from this study contribute to the ongoing academic discourse on the ethical and economic implications of tax avoidance behaviors.

1. Introduction

In recent years, the issue of corporate tax avoidance has gained significant attention, fueled by increasing public scrutiny and concerns over the depletion of tax revenues. While some contend that minimizing the tax burden is a legitimate strategy to enhance shareholder value, others perceive it as an unethical practice that undermines the social contract and imposes an unfair burden on individual taxpayers. While some argue that reducing tax liabilities can enhance shareholder value, others view it as an unethical practice that places an unjust burden on individual taxpayers and undermines the social contract. Research indicates that corporate tax avoidance involves actions by company management to minimize tax payments below expected levels (Handoyo et al., 2022). The Organization for Economic Co-operation and Development (OECD) estimates substantial global corporate income tax revenue losses annually due to tax avoidance, highlighting the significant scale of this issue (Tang, 2019).

Tax revenue is critical for funding essential public services and infrastructure in a country. Corporate tax avoidance strategies can have significant implications, undermining a country's ability to adequately finance schools, public safety, transportation, and other vital community needs. The impact of corporate tax avoidance extends beyond individual firms, affecting the broader financial stability and economic development of the country (Zhang et al., 2022). The issue of tax avoidance arises from a conundrum where governments face funding challenges while tax codes offer avenues for some entities to avoid taxes, impacting the overall revenue available for public services (Payne & Raiborn, 2018).

Institutional investors, such as mutual funds, pension funds, and insurance companies, have become major players in global financial markets, collectively owning a significant portion of publicly traded companies. These large institutional investors often have substantial influence over the strategic decision-making of the firms they invest in, including tax planning and avoidance strategies. Research has demonstrated that institutional ownership positively impacts corporate tax avoidance practices (Oktaviyani & Munandar, 2017). Institutional investors, with substantial ownership stakes, are considered effective monitors of firms and are incentivized to engage in monitoring activities that influence firm governance (Chung et al., 2019). Corporate tax avoidance has garnered substantial public attention, especially post the 2008 global financial crisis (Oats & Tuck, 2019). It is a strategic move that firms undertake to minimize their tax liabilities within the legal framework. This practice is often influenced by institutional ownership (Damayanti & Wulandari, 2021). Companies tend to prioritize internal funding sources over external ones, leading to tax avoidance strategies to preserve funds for reinvestment and growth (Asiri et al., 2020). Furthermore, tax avoidance is not only influenced by financial factors but also by corporate governance structures. Studies have highlighted the role of audit committees, board of directors, and institutional investors in shaping tax avoidance practices within firms (Bédard & Paquette, 2021). Additionally, the presence of females in governance roles and the level of accounting conservatism can moderate the effect of tax avoidance on corporate decision-making (Suleiman, 2020; Riguen et al., 2020).

Firm profitability is a key factor influencing corporate tax avoidance strategies. Highly profitable companies have a stronger motivation to engage in tax minimization practices in order to maximize their after-tax returns and increase shareholder wealth. Profitable firms possess greater resources and opportunities to invest in tax planning strategies, such as utilizing tax loopholes, engaging in cross-border profit shifting, and exploiting tax credits and deductions. The relationship between profitability and tax avoidance is well-established, as profitable companies are more inclined to undertake tax minimization practices to enhance their after-tax profits and shareholder value. These firms have greater means to implement sophisticated tax planning strategies, including exploiting legal tax loopholes, engaging in international profit shifting, and leveraging available tax credits and deductions (Shubita, 2024; Ekaristi et al., 2022; Rudyanto & Pirzada, 2020). Research supports that profitability is a key driver for firms to engage in tax avoidance activities. Profitable firms are more likely to reduce their tax burden through tax planning, leading to increased profitability through tax avoidance practices (Ekaristi et al., 2022; Rudyanto & Pirzada, 2020). Additionally, maximizing profits is identified as the primary motivator for tax avoidance, as reducing tax expenses directly contributes to profit maximization (Gulzar et al., 2018). Studies suggest that firm profitability influences the aggressiveness of tax policies, with highly profitable firms being more aggressive in their tax planning strategies (Riguen et al., 2020). The relationship between profitability and tax avoidance is further emphasized by the impact of tax avoidance on firm value. By minimizing tax burdens and increasing after-tax profits, firms can enhance shareholder assets and corporate value (Ha et al., 2021).

Corporate leverage, as measured by the debt-to-total assets ratio, is a significant factor influencing tax avoidance practices. Highly leveraged firms often engage in tax avoidance strategies to maximize the tax benefits of debt financing. The interest expenses on debt are tax-deductible, providing a tax shield that incentivizes firms to increase their leverage ratios. Additionally, highly leveraged firms may have greater motivation to undertake tax avoidance practices to preserve cash flow and meet debt obligations. The relationship between leverage and tax avoidance is well-established, with research indicating that highly leveraged companies are more likely to engage in tax minimization strategies to obtain the tax benefits associated with debt financing and ensure sufficient cash flow to fulfill debt obligations (Drake et al., 2019; Widyastuti et al., 2022). The relationship between leverage and tax avoidance has been a subject of interest in various studies. Research has shown that leverage has a positive effect on tax avoidance, indicating that highly leveraged firms are more likely to engage in tax avoidance practices (Damayanti & Wulandari, 2021). Additionally, the results of studies have demonstrated that leverage, along with institutional ownership and business strategy, has a significant positive impact on tax avoidance. Furthermore, larger companies with lower financial performance and lower leverage ratios have been found to be more inclined towards tax avoidance (Widyastuti et al., 2022).

However, while tax codes may offer avenues for some entities to avoid taxes, this practice can have negative consequences on the overall revenue available for public services. Institutional investors, with their substantial ownership stakes, could play a role in corporate tax avoidance, but their influence may not always lead to positive outcomes. Highly profitable firms may be motivated to engage in tax minimization strategies, but this approach could come at the expense of contributing their fair share to public funding. Similarly, leveraged companies may seek to maximize the tax benefits of debt financing, but this strategy may not align with the broader societal interest of equitable tax contributions. Ultimately, the pursuit of tax avoidance, whether driven by institutional ownership, profitability, or leverage, can undermine the effective functioning of the tax system and the provision of essential public goods and services.

This research offers important insights into the factors driving corporate tax avoidance strategies. Examining the influence of institutional ownership, profitability, and leverage on tax minimization practices provides valuable knowledge for policymakers, regulators, and stakeholders grappling with the complexities of corporate tax planning. By exploring these key determinants of tax avoidance, this study contributes to the ongoing discourse on balancing corporate interests with broader societal responsibilities regarding tax contributions.

2. Literature Review

The examination of institutional ownership, profitability, and leverage as factors influencing corporate tax avoidance practices is grounded in several theoretical frameworks.

2.1 Agency Theory

The concept of agency theory, as proposed by Jensen & Meckling (1976), elucidates the relationship between agents (management) and principals (shareholders), where agents are entrusted with decision-making authority by principals. Leveraging the agency theory framework, studies such as Khurana et al. (2018) and Chung et al. (2019) have explored the implications of tax avoidance within the context of managerial ability and corporate tax aggressiveness. These studies provide insights into how managerial decisions, influenced by agency dynamics, can impact tax avoidance strategies within organizations. The positive effect of leverage on tax avoidance, as supported by (Khurana et al., 2018), underscores the significance of considering financial structures and capital management strategies in understanding tax planning decisions within firms. This alignment with agency theory emphasizes the importance of comprehending the contractual relationships and decision-making dynamics between agents and principals in shaping tax avoidance practices.

2.2 Institutional Ownership

Institutional ownership is a critical factor in understanding corporate tax avoidance, as highlighted in several studies. Damayanti & Wulandari (2021) suggest that institutional ownership significantly influences overseeing company management to optimize performance and potentially impact tax avoidance practices. Handoyo et al. (2022) present conflicting views, with some studies indicating that as institutional ownership increases, the likelihood of tax avoidance decreases, while others suggest a positive effect of institutional ownership on tax avoidance. Oktaviyani & Munandar (2017) found that institutional ownership had a positive and significant influence on tax avoidance, aligning with the agency theory perspective that higher institutional ownership is associated with increased tax avoidance.

2.3 Profitability

The study by Shubita (2024) highlights the central role of profitability in shaping tax avoidance strategies, noting that larger firms tend to be more inclined toward tax planning. This finding underscores the significance of profitability as a critical factor in understanding tax avoidance behaviors within organizations. Profitability plays a pivotal role in influencing tax planning decisions, as firms seek to optimize their tax burden and enhance their financial performance through strategic tax management practices. Understanding the impact of profitability on tax avoidance is essential for stakeholders to develop insights into the dynamics of corporate tax strategies and make informed decisions regarding tax planning and compliance.

2.4 Leverage

Leverage plays a significant role in corporate tax avoidance strategies, as evidenced by several studies. Sari & Ramli (2023) found that leverage has a significant influence on tax avoidance practices, while Damayanti & Wulandari (2021) highlighted that leverage has a significant effect on tax avoidance. Moreover, Ilmiyono & Agustina (2020) demonstrated that company size, sales growth, and leverage collectively impact tax avoidance. Mocanu et al. (2021) included leverage in their tax avoidance modeling, emphasizing its importance in understanding tax strategies. Additionally, Wahyuni et al. (2017) and Ekaristi et al. (2022) both discussed the effect of leverage on tax avoidance, further underlining its relevance in corporate tax planning.

2.5 Hypothesis

Institutional ownership's impact on tax avoidance has been a subject of scholarly debate. Some studies suggest a positive relationship between institutional ownership and tax avoidance (Khan et al., 2017; Iwanty & Surjandari, 2022), while others argue that as institutional ownership increases, the likelihood of tax avoidance decreases (Handoyo et al., 2022). However, it is important to note that the relationship between institutional ownership and tax avoidance can be influenced by various factors. For instance, strong external monitoring in the form of high institutional ownership can attenuate the relationship between tax avoidance and rent extraction (Khurana et al., 2018). Additionally, the effectiveness of institutional ownership in influencing tax avoidance may be moderated by factors such as corporate governance strength (Bédard & Paquette, 2021). Moreover, the literature indicates that tax avoidance can have value implications for shareholders (Kovermann, 2018; Tang, 2019). Studies have shown that tax avoidance practices, when coupled with strong corporate governance institutions, can be beneficial to shareholders (Kovermann, 2018). Furthermore, the impact of tax avoidance on firm value and performance can be influenced by ownership structures, such as state ownership (Ha et al., 2021). In conclusion, the relationship between institutional ownership and tax avoidance is complex and can be influenced by various factors such as corporate governance strength, ownership structures, and external monitoring mechanisms. While some studies suggest a positive effect of institutional ownership on tax avoidance, others highlight the nuanced nature of this relationship. Further research is needed to fully understand the mechanisms through which institutional ownership influences tax avoidance practices. Based on this theory and prior research, the hypothesis can be:

H_1: Institutional ownership has a positive influence on tax avoidance.

Profitability is a key factor influencing tax avoidance strategies within companies. Research has shown a positive correlation between profitability and tax avoidance, indicating that as profitability rises, firms are more likely to engage in tax planning to reduce their tax burden (Ekaristi et al., 2022; Shubita, 2024). Larger companies, in particular, are more proactive in implementing tax avoidance strategies, with profitability playing a central role in shaping these decisions (Shubita, 2024). Additionally, profitability can moderate the relationship between factors like institutional ownership and tax avoidance practices (Oktaviyani & Munandar, 2017). Moreover, studies suggest that high and stable profits can motivate companies to practice tax avoidance as substantial profits often lead to a significant tax burden, prompting firms to seek ways to lower their tax liabilities (Ilmiyono & Agustina, 2020). Profitability is also associated with shareholder value, where tax avoidance practices, when combined with strong corporate governance structures, can benefit shareholders (Kovermann, 2018). Furthermore, profitability has been found to positively impact tax avoidance concerning debt policy and sales growth, with independent commissioners potentially moderating this relationship (Amalia & Firmansyah, 2022). In summary, profitability significantly influences tax avoidance behaviors within companies. As profitability increases, firms are more inclined to employ tax planning strategies to minimize their tax responsibilities. The relationship between profitability and tax avoidance is intricate and can be influenced by various factors, underscoring the necessity for further research to comprehensively grasp how profitability shapes tax avoidance practices. Based on this theory and prior research, the hypothesis can be:

H_2: Profitability has a positive influence on tax avoidance.

Leverage, or the use of debt financing, can also influence a firm's tax avoidance strategies. Highly leveraged companies may have greater incentives to engage in tax avoidance practices in order to maximize their after-tax returns and increase shareholder value. Based on the relevant literature, it is clear that leverage has a positive effect on tax avoidance across various contexts. Afrianti et al. (2022) found that leverage positively influences tax avoidance, while Damayanti & Wulandari (2021) also support this claim by demonstrating that leverage has a significant positive effect on tax avoidance. Moreover, Marfiana & Putra (2021) further reinforce this relationship by highlighting the positive impact of leverage on tax avoidance. Additionally, the study by Wahyuni et al. (2017) revealed that leverage has a significant positive effect on tax avoidance, further supporting the notion that companies with higher leverage tend to engage more in tax avoidance practices. Furthermore, Zhang et al. (2022) found that tax avoidance is positively affected by leverage, indicating a consistent trend across different studies. In conclusion, the synthesis of these references underscores the consistent finding that leverage has a positive effect on tax avoidance. Companies with higher leverage ratios are more inclined to engage in tax avoidance strategies, highlighting the importance of understanding the relationship between leverage and tax avoidance in corporate decision-making. Based on this theory and prior research, the hypothesis can be:

H_3: Leverage has a positive influence on tax avoidance.

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3. Research Methods

This study will use a quantitative approach to investigate the impact of institutional ownership, profitability, and leverage on tax avoidance. The researchers will collect data from publicly listed food and beverage companies on the Indonesia Stock Exchange to obtain the necessary information. The required data will be sourced from the IDX website.

The data will be collected using a purposive sampling approach, which involves selecting samples based on specific criteria, including:

1) Food and beverage companies listed on the Indonesia Stock Exchange during the 2020-2022 period.

p-ISSN 2714-6308 | e-ISSN 2714-6294
Amnesty
Jurnal Riset Perpajakan

2) Food and beverage sub-sector companies that maintained profitability throughout 2020-2022.

This variable is the main thing studied in the study. Tax avoidance is the dependent variable used by researchers, where the measurement is the cash effective tax rate (CETR). This variable can be influenced by independent variables. The author's independent variables are institutional ownership, profitability, and leverage. Institutional ownership is measured as the percentage of shares owned by institutional investors. Profitability is measured using the return on assets ratio, which is calculated as net income divided by total assets. Leverage is measured using the debt-to-equity ratio, which is calculated as total liabilities divided by total shareholders' equity.

The study will use multiple regression analysis to test the hypotheses. The regression model can be expressed as:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$$

Where:

Y represents the dependent variable of tax avoidance, measured by the cash effective tax rate.

α is the constant or intercept term.

β_1, β_2, and β_3 are the regression coefficients for the independent variables.

X_1 represents the independent variable of institutional ownership, measured by the percentage of shares owned by institutional investors.

X_2 represents the independent variable of profitability, measured by the return on assets ratio.

X_3 represents the independent variable of leverage, measured by the debt-to-equity ratio.

ε represents the error term or residual.

4. Results and Discussion

4.1. Research Results

This study assesses the effect of institutional ownership, profitability and leverage on tax avoidance. Through the purposive sampling method, presented in

Table 1: Selection of Research Sample

No	Criteria	Total
	Food and Beverage Subsector Companies Listed on Indonesia Stock Exchange (IDX)	48
1.	Companies that experienced losses in 2020-2022	(10)
	Number of Samples	38
	Total Sample in Research (x3)	114

Source: Research data (2024)

The classic assumption test is carried out to test the feasibility of data before regression. The classical assumption tests carried out include normality, autocorrelation, and heteroscedasticity tests. After the data has passed the classical assumption test, regression is carried out. Regression was performed twice to form equations 1 and 2. Table 1 below shows the results of the regression results for equation 2:

Table 2: Linear regression test results

Variable	Beta value	Significant value
Constant	0.286	0,001
Institutional ownership	-0.032	0,685
Profitability	-0.324	0.107
Leverage	0.035	0.001

Source: Research data (2024)

Table 2 show that:

a. Institutional ownership has a coefficient of -0.032 and a significance value of 0.685. Based on this, the significance value exceeds the threshold, indicating that the institutional ownership variable does not have a significant influence on the tax avoidance variable. Consequently, the study rejects hypothesis H_1 and accepts the null hypothesis H_0, concluding that institutional ownership does not significantly impact tax avoidance.
b. Profitability (X2) is -0.324 with a significance value of 0.107. Based on these calculations, the sig value of 0.107> (0.05) is obtained, it can be concluded that the Profitability variable (X_2) has no significant effect on the Tax Avoidance variable (Y). So H_2 is rejected and H_0 is accepted that Profitability has no

significant effect on the Tax Avoidance variable.

c. Leverage (X_3) is 0.035 with a significance value of 0.001. Based on these calculations, the sig value of 0.001 < (0.05) is obtained, it can be concluded that the Leverage variable (X_3) has a positive effect on the Tax Avoidance variable (Y). So H_0 is rejected and H_3 is accepted that Leverage has a positive effect on the Tax Avoidance variable.

4.2. Research Discussion

The results show that institutional ownership does not significantly impact tax avoidance. The findings contradict agency theory, which suggests that institutional ownership can shape managerial behavior and decisions, including tax avoidance. The lack of a significant relationship between institutional ownership and tax avoidance in this study indicates that the presence of institutional investors may not necessarily lead to increased oversight and control over management's tax avoidance activities. One possible explanation is that institutional investors in the Indonesian food and beverage industry may have different investment priorities or strategies that do not prioritize monitoring tax avoidance. Alternatively, the institutional investors may lack the necessary expertise or resources to effectively oversee and influence the company's tax planning and avoidance strategies. This result highlights the need for further investigation into the specific mechanisms and incentives that drive the relationship between institutional ownership and tax avoidance in the Indonesian context.

The absence of a significant relationship between institutional ownership and tax avoidance in the Indonesian food and beverage industry challenges the conventional agency theory perspective, which suggests that institutional investors would monitor managerial decisions, including tax avoidance practices (Damayanti & Wulandari, 2021). This discrepancy indicates that institutional investors in this setting may have different investment priorities or lack the expertise and resources to effectively monitor and influence tax planning strategies. The study highlights the necessity for further research to explore the specific mechanisms and incentives that govern the interaction between institutional ownership and tax avoidance in Indonesia. Although agency theory typically proposes that higher institutional ownership leads to increased levels of tax avoidance (Khan et al., 2017), the outcomes in the Indonesian food and beverage industry do not support this expectation (Damayanti & Wulandari, 2021). This disparity underscores the complexity of factors influencing tax avoidance practices and emphasizes the importance of considering industry-specific contexts and investor behaviors. The study's results suggest that the relationship between institutional ownership and tax avoidance is not universally applicable and can vary depending on industry and market characteristics.

This result is supported by studies from Handoyo et al. (2022), Damayanti & Wulandari (2021) and Oktaviyani & Munandar (2017) all indicated that institutional ownership did not significantly impact tax avoidance. Widiatmoko & Mulya (2021) also concluded that institutional ownership had no significant effect on tax avoidance in consumer goods companies listed on the IDX from 2015-2019.

Profitability has no significant effect on the Tax Avoidance variable. This findings is in line with the study of (Ekaristi et al., 2022), (Shubita, 2024)(Wahyuni et al., 2017)(Chung et al., 2019), and (Widyastuti et al., 2022) indicate that profitability did not have a significant effect on tax avoidance in various contexts. These findings challenge the common assumption that higher profitability directly correlates with increased tax avoidance strategies. Therefore, it appears that other factors such as leverage, business strategy, and corporate governance may play more substantial roles in influencing tax avoidance behaviors than profitability alone.

The findings indicate that profitability alone may not be the primary driver of tax

p-ISSN 2714-6308 | e-ISSN 2714-6294
Amnesty
Jurnal Riset Perpajakan

avoidance strategies in the Indonesian food and beverage industry. This suggests the need to consider other factors, such as leverage, business strategy, and corporate governance, that may have a more substantial influence on tax avoidance behaviors. The study underscores the importance of examining industry-specific contexts and the nuanced dynamics that shape managerial decisions regarding tax planning and avoidance. While profitability is often assumed to drive tax avoidance strategies according to conventional agency theory, studies have found that profitability alone may not be the primary determinant of tax avoidance practices (Ekaristi et al., 2022), (Shubita, 2024)(Wahyuni et al., 2017)(Chung et al., 2019), and (Widyastuti et al., 2022) indicate that profitability alone may not be the primary driver of tax avoidance behaviors. These studies highlight the importance of considering other factors such as leverage, business strategy, and corporate governance, which may have a more substantial impact on tax avoidance practices in Indonesian firms. The discrepancy between the expected influence of profitability on tax avoidance and the actual findings underscores the complexity of factors at play in shaping tax planning and avoidance strategies.

Leverage has a positive effect on the Tax Avoidance variable. These findings are supported by studies from (Afrianti et al., 2022), (Sari & Ramli, 2023), (Widyastuti et al., 2022),(Damayanti & Wulandari, 2021), (Marfiana & Putra, 2021), (Handoyo et al., 2022), (Wahyuni et al., 2017), and (Zhang et al., 2022) all support the notion that leverage positively influences tax avoidance. These findings indicate that higher levels of leverage are associated with increased tax avoidance strategies, suggesting that firms may utilize debt financing to optimize tax planning and reduce their tax burden. The consistent evidence across these studies highlights the significant role of leverage in shaping tax avoidance behaviors. Firms may strategically use leverage as a tool to manage their tax liabilities and enhance tax efficiency. The positive effect of leverage on tax avoidance underscores the importance of considering financial structures and capital management strategies when analyzing tax planning decisions within organizations. Understanding the impact of leverage on tax avoidance is crucial for policymakers, practitioners, and researchers to develop comprehensive insights into the dynamics of corporate tax strategies. By recognizing the influence of leverage on tax avoidance practices, stakeholders can better assess the implications of financial decisions on tax outcomes and implement more effective tax management strategies.

The positive effect of leverage on tax avoidance, as supported by the findings from various studies Zhang et al. (2022), Amidu et al. (2019), aligns with the principles of agency theory. Agency theory posits that firms may use leverage as a mechanism to influence managerial behavior and decision-making, including tax planning strategies. The positive relationship between leverage and tax avoidance underscores the importance of financial structures and capital management strategies in shaping tax planning decisions within organizations.

Understanding the impact of leverage on tax avoidance is crucial for policymakers, practitioners, and researchers to gain comprehensive insights into the dynamics of corporate tax strategies. By recognizing the role of leverage in influencing tax avoidance practices, stakeholders can better assess the implications of financial decisions on tax outcomes and implement more effective tax management strategies. Leveraging debt as a tool for tax planning highlights the intricate relationship between financial leverage and tax avoidance strategies, emphasizing the need for a nuanced understanding of these dynamics in the realm of corporate taxation.

5. Closing

5.1 Conclusion

The findings of this study provide valuable insights into the factors influencing tax avoidance practices in the Indonesian consumer goods industry. While institutional ownership was found to have no significant effect on tax avoidance, the research highlights the complex and nuanced relationship between profitability, leverage, and tax planning strategies.

Contrary to conventional assumptions, profitability alone was not a primary driver of tax avoidance behaviors. This suggests that other factors, such as leverage, business strategy, and corporate governance, may play a more substantial role in shaping tax planning decisions. The positive effect of leverage on tax avoidance, as supported by various studies, underscores the importance of financial structures and capital management strategies in influencing corporate tax strategies.

5.2 Suggestion

Policymakers, practitioners, and researchers are advised to consider the intricate relationships between financial, operational, and governance-related factors when analyzing and addressing corporate tax planning strategies. By adopting a comprehensive approach, stakeholders can develop more effective tax management policies and support the establishment of sustainable and responsible corporate taxation practices.

Furthermore, researchers are encouraged to explore the complex interplay between these factors and their influence on tax avoidance behaviors across diverse industries and economic contexts. Deeper investigation into this dynamic will enable a more holistic understanding of the drivers and implications of corporate tax planning, ultimately informing policymakers and practitioners in their efforts to promote transparent and equitable tax systems.

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