

ABSTRACT

This study aims to determine the effect of Profitability, Transfer Pricing, and Earnings Management on Tax Avoidance in food and beverage sub-sector manufacturing companies listed on the Indonesia Stock Exchange for the 2016-2021 period. Profitability, Transfer Pricing, Earnings Management as independent variables, Tax Avoidance as dependent variable.

The method used in this research is descriptive and associative method. This study uses secondary data obtained from the Indonesia Stock Exchange website. The sampling technique used in this research is purposive sampling which produces 11 samples of companies. The analytical techniques used in this research are descriptive analysis, associative analysis, classical assumption test, normality test, multicollinearity test, heteroscedasticity test, autocorrelation test, hypothesis testing, panel data regression analysis, and coefficient of determination with the help of Econometric Views (EViews) program 12.

Based on the results of research on food and beverage sub-sector manufacturing companies listed on the Indonesia Stock Exchange for the 2016-2021 period. Profitability has a significant effect on tax avoidance with a contribution of 19.33%. Transfer Pricing has a significant effect on tax avoidance with a contribution of 11.23%. Earnings management has a significant effect on tax avoidance with a contribution of 33.70%. While, simultaneously Profitability, Transfer Pricing and Earnings Management on Tax Avoidance with a contribution of 64.26%.

Keywords: *Profitability, Transfer Pricing, Profit Management and Tax Avoidance.*