

ABSTRACT

This study aims to examine the effect of audit quality on tax avoidance. The independent variables used as proxies for measuring audit quality are CPA firm size, audit tenure, and audit fee.

This study uses secondary data obtained from the annual reports of primary consumer goods manufacturing companies listed on the Indonesia Stock Exchange (IDX) for the 2020-2024 period. The sampling method employed in this study is purposive sampling, establishing specific criteria relevant to the research objectives. A Total of 31 companies were tested, with a breakdown of 135 samples throughout the five-year research period. The analysis method is multiple regression analysis.

The results of this study indicate that audit fee has a positive effect, while CPA firm size and audit tenure have no effect. Future researchers are advised to extend the observation period, broaden the industry sectors under observation, and utilize alternative proxies such as professional fees as disclosed in the Notes to the Financial Statements for audit fee, as well as CETR and BTD for tax avoidance, in order to enhance the generalizability of the research findings.

Keywords: Tax Avoidance, CPA Firm Size, Audit Tenure, Audit Fee

