

ABSTRACT

This study aims to analyze the effect of Good Corporate Governance (GCG) on tax avoidance in property and real estate sector companies listed on the Indonesia Stock Exchange (IDX) for the period 2022–2024. Tax avoidance is a legally permissible tax minimization practice yet considered unethical as it potentially reduces corporate fiscal contributions to state revenue. This phenomenon is examined within the agency theory framework, in which companies as agents authorized to manage tax obligations under a self-assessment system may act opportunistically, conflicting with the government's interest as principal in maximizing tax revenue. The independent variables include independent commissioners, audit committees, and institutional ownership, while the dependent variable is measured using the Effective Tax Rate (ETR) as a proxy for tax avoidance. This study employs a quantitative approach using secondary data from annual financial statements, with samples determined through purposive sampling yielding 92 observations, analyzed using multiple linear regression with classical assumption tests. The results indicate that independent commissioners have a significant positive effect on tax avoidance, while audit committees and institutional ownership show no significant partial effect. Simultaneously, all three independent variables significantly affect tax avoidance. These findings affirm the importance of effective GCG mechanisms in curbing opportunistic corporate tax behavior, while also encouraging the optimization of audit committees and institutional ownership as instruments of tax compliance.

Keywords: *Good Corporate Governance, Independent Commissioners, Audit Committee, Institutional Ownership, Tax Avoidance.*

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