

ABSTRACT

This study aims to analyze the impact of leverage on tax avoidance, with institutional ownership as a moderating variable. Leverage is employed as the independent variable, while tax avoidance, measured by the Effective Tax Rate (ETR), serves as the dependent variable. Additionally, executive characteristics and multinational company status are included as control variables.

The research utilizes secondary data and applies purposive sampling to select the sample. The study examines 107 data points, comprising 44 mining companies listed on the Indonesia Stock Exchange for the period 2019-2023. Data were sourced from Bloomberg and the companies' annual financial statements. The data analysis was conducted using Moderated Regression Analysis (MRA) with IBM SPSS 25 software.

The findings reveal that leverage negatively affects tax avoidance, while institutional ownership attenuates the negative effect of leverage on tax avoidance.

Keywords: *leverage, institutional ownership, tax avoidance*

