ABSTRACT

The aim of this study is to examine the effect of tax aggressiveness on firm value. The independent variable used in this study is tax aggressiveness, which is measured using *effective tax rate* and *permanent book-tax difference*. Meanwhile, the dependent variable in this study is firm value. The population used in this study consists of companies in the manufacturing sector listed on the Indonesia Stock Exchange during the 2020-2024 period. Using a *purposive sampling* method, 171 companies were selected as the sample, resulting in a total of 971 firm-year observations used in this study. This study uses panel data regression analysis with the assistance of E-Views 13 to test the hypotheses. The results of this study show that tax aggressiveness simultaneously has a significant effect on firm value. Partially, *effective tax rate* has a positive and significant effect on firm value, while *permanent book-tax difference* also has a positive and significant effect on firm value.

Keywords: Tax Aggressiveness, *Effective Tax Rate, Permanent Book-Tax Difference*, Firm Value.

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