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CORPORATE SOCIAL RESPONSIBILITY TOWARDS TAX AGGRESSIVENESS WITH GOOD CORPORATE GOVERNANCE AS A MODERATION VARIABLE

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Abstract

The purpose of this study was to analyze the effect of good corporate governance in moderating the effect of corporate social responsibility on tax aggressiveness. The population in this study were all mining companies listed on the Indonesia Stock Exchange in 2018-2022. The sample in this study was 115 taken using the purposive sampling technique. The test tool used is simple regression analysis panel data and Moderated Regression Analysis (MRA) using Eviews 12 as a statistical test tool. The results of this study indicate that: (1) corporate social responsibility does not affect tax aggressiveness, (2) independent commissioners do not moderate the effect of corporate social responsibility on tax aggressiveness, (3) audit committees moderate the effect of corporate social responsibility on tax aggressiveness.

Keywords: Tax Aggressiveness, Corporate Social Responsibility, Good Corporate Governance Independent Commissioners, Audit Committee.

INTRODUCTION

Indonesia is a developing country and judging from its population, Indonesia is a country that has a large enough population. Indonesia is also the largest archipelagic country rich in abundant natural wealth and Indonesia's strategic geographical location where the Indonesian region is a world trade traffic area (Gunawan, 2017). This situation is very attractive for various companies to establish their businesses in Indonesia, both domestic and foreign companies. This is quite beneficial for Indonesia to increase revenue in the tax sector. Tax is a people's contribution to the state treasury that has been determined directly by law to hand over some of the wealth owned. Tax sources in Indonesia come from individual taxpayers and corporate taxpayers, in Indonesia there are many companies classified as corporate taxpayers from various industrial sectors. The greater the income earned the greater the tax burden to be paid by the company. The high tax payable that must be paid by the company makes the company try to minimize the large tax burden owed (Nugraha &; Meiranto, 2015). The government's goal of maximizing revenue from the tax sector is contrary to the purpose of the company as a taxpayer, where the company tries to minimize the costs incurred to obtain maximum profit so that it can provide accountability to the owners or shareholders and continue the continuity of the company in the future (Gunawan, 2017).

Nugraha and Meiranto (2015) stated that for companies taxes are considered as costs, so it is necessary to make certain efforts or strategies to minimize the costs incurred to pay taxes usually called tax planning. The expected goal of this tax planning is to minimize taxes payable

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to achieve optimal pre-tax profits. The difference in interests regarding taxes between the government and companies causes companies as taxpayers to tend to reduce the amount of tax payments both those that are still in tax regulations and those that violate tax regulations. This is a factor for companies to carry out tax aggressiveness actions (Andhari and Sukartha, 2019). Some researchers such as Ardyansah and Zulaikha (2014) define tax aggressiveness as an act of engineering taxable income designed through tax planning actions using either legal or illegal means. Tax aggressiveness actions carried out using corporate tax planning through tax avoidance activities are legal manipulation of income that is still by statutory provisions carried out to reduce the amount of tax owed (Dewi and Wirawati, 2017). The phenomenon of tax aggressiveness has occurred in Indonesia, one of which is in the mining sector companies such as PT Adaro Energy, one of the largest coal companies in the world that has transferred large amounts of profits to subsidiaries located abroad, which has helped PT Adaro Energy to avoid or minimize taxes that should be paid in Indonesia. PT Adaro Energy is alleged to have engaged in this practice, allowing the company to pay Rp 1.75 trillion less tax than it should have paid in Indonesia (https://www.mongabay.co.id.2019).

The above case provides evidence that there are still many companies trying to do tax aggressiveness to manipulate profits using tax planning using either legal or illegal means. Some ways that can be done to reduce tax aggressiveness are by conducting and disclosing corporate social responsibility activities (Dewi and Wirawati, 2017). Corporate social responsibility (CSR) in the Limited Liability Company Law Number 40 of 2007 article 1 paragraph 3 states that social responsibility is the company's commitment and effort to participate in sustainable economic development to improve the quality of life and the environment that is beneficial, both for the company and the surrounding environment. This means that the company has an important role in the quality of life and the environment for the community through its involvement in CSR disclosure (Fuadah &; Kalsum, 2021).

The awareness of companies to implement CSR in their operations varies. If the company realizes the importance of CSR, then the company will also realize the importance of the company's contribution to paying taxes. The form of corporate responsibility towards the social environment is realized by providing CSR which aims to attract public attention to the company's image (Firdayanti &; Kiswanto, 2020). One of the steps that can be taken by the government to deal with aggressive tax actions is to apply the principles of good corporate governance correctly. Although currently GCG practices have been implemented in several companies in Indonesia, it is not certain that the company implements actual GCG practices. Good corporate governance is good corporate governance in determining the direction and goals of the company by the character of the company's leaders (Subarnas &; Gunawan, 2019).

The moderation variable in this study is good corporate governance (GCG) which is measured in the proxy of independent commissioners and audit committees. An Independent Commissioner is a member of the Board of Commissioners who is not affiliated with the Board of Directors, other members of the Board of Commissioners, and controlling shareholders and is free from business relationships that may affect his ability to act independently (Yogiswari &; Ramantha, 2017). To ease the duties carried out by the board of commissioners, a committee

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was formed, namely the audit committee. The Indonesian Institute of Audit Committee (IKAI) defines an audit committee as a committee that works professionally to assist the function of the board of commissioners in overseeing the process of making financial statements, risk management, conducting audits, and implementing corporate governance (Rengganis &; Putri, 2018). The implementation of good corporate governance in the company, certainly adds to the effectiveness of supervision by laws and regulations on company management. High supervision carried out by independent commissioners and audit committees will reduce the opportunity for management to save legal and illegal tax burdens to maintain the company's profit performance.

Research conducted by Goh et al (2019), Nurcahyono and Kristiana (2019), and Rengganis and Putri (2018) show that corporate social responsibility negatively affects tax aggressiveness. Meanwhile, research by Napitu and Kurniawan (2016), Romadhina (2020), and Firdayanti and Kiswanto (2020) shows that corporate social responsibility does not affect tax aggressiveness. Research by Ayuningtyas (2014), Pitria and Wijaya (2017), Yogiswari and Ramantha (2017), and Rista and Mulyani (2019) shows that independent commissioners and audit committees can moderate the influence of corporate social responsibility on tax aggressiveness. Meanwhile, research by Firdayanti and Kiswanto (2020) and Ningrum et al (2020) shows that independent commissioners and audit committees are unable to moderate the influence of corporate social responsibility on tax aggressiveness.

This research replicates the research of Nurcahyono and Kristiana (2019). The difference between this study and previous research is that this study adds good corporate governance as a moderation variable due to inconsistencies from the results of previous studies, This study also adds the number of years and continues the research years from the previous researcher in the 2018-2022 period.

Theoretical Framework

Legitimacy Theory

The theory of legitimacy was first proposed by Dowling and Pfeffer (1975) which states that the theory of legitimacy is a corporate management system that is oriented towards the community, government, individuals, and community groups. This indicates a social contract between the company and the community and the existence of social environmental disclosures. Companies running social contracts must adjust to applicable values and norms to run in harmony (Andhari &; Sukartha, 2019). Nugraha and Meiranto (2015) explained that to be able to maintain their survival, companies need legitimacy from investors, creditors, consumers, the government, and the surrounding community. To gain legitimacy from the government, the company complies with all applicable laws and regulations. To gain legitimacy from the community, companies carry out social responsibility activities by using annual reports to illustrate the impression of corporate social responsibility. CSR disclosure is considered useful for restoring, improving, and maintaining the legitimacy received.

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Agency Theory

Agency theory was first popularized by Jansen and Meckling (1976). Agency theory explains the relationship between the principals and agents. Agency theory arises when there is an employment relationship agreement between the principal who has the authority to run the company. Conflicts of interest will increase because shareholders cannot monitor the activities of managers to ensure that managers work in the interests of shareholders (Firdayanti &; Kiswanto, 2020). In a company, shareholders want the company they own to generate the maximum profit. Meanwhile, company management, the party appointed by shareholders to manage company operations, requires large compensation from the company (Nugraha &; Meiranto, 2015). Independent commissioners and audit committees as parties that supervise managers in the company are expected to reduce the occurrence of agency problems and be able to supervise managers so as not to act opportunistically and be able to meet the welfare (Ardyansah &; Zulaikha, 2014).

Tax Aggressiveness

Tax aggressiveness is an activity or action that aims to reduce corporate taxable income both legally and illegally to reduce its tax burden so that the company's profits obtained are optimal (Maulana, 2020). Tax aggressiveness is carried out by minimizing the taxable amount obtained by the company. This action is a frequent thing that happens to large companies today. This is not by the rules that have prevailed both in society and in government. The government, as the recipient of the tax will be harmed by such actions because it can reduce government revenue for the development of the country. For the community, the impact that will be obtained is that they do not get adequate facilities and support the development obtained from the government for these actions (Fionasari et al., 2017).

Corporate Social Responsibility (CSR)

Disclosure of corporate social responsibility is an obligation for every company regulated by the government in Law of the Republic of Indonesia No. 40 of 2007 article 74 concerning "Social and Environmental Responsibility". The law mandates that "Companies that carry out their business activities in the field and/or related to natural resources must carry out Social and Environmental Responsibility". Corporate social responsibility is a concept or action taken by the company as a sense of responsibility to the community or environment around the company. The World Business Council for Sustainable Development (WBCSD) explained that corporate social responsibility is the company's commitment to contribute to sustainable development and improve the quality of life of employees and their families, local communities, and the wider community.

Good Corporate Governance

The Indonesian Institute for Corporate Governance (IICG) defines GCG as the structure, system, and process used by the company's department to provide added value to the company in a sustainable manner in the long term while still paying attention to the interests of other stakeholders based on applicable norms, ethics, culture, and rules. Good corporate governance

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(GCG) is a system that regulates and controls the company to provide good performance results, added value, and effective protection for stakeholders. Five main principles of good corporate governance must be carried out by companies, namely transparency, accountability, responsibility, independence, and fairness (Rengganis &; Putri, 2018).

Independent Commissioner

An Independent Commissioner is a member of the Board of Commissioners who is not affiliated with the Board of Directors, other members of the Board of Commissioners, and controlling shareholders and is free from business relationships that may affect his ability to act independently or act solely in the interests of the company whose duty is to supervise the company's management in carrying out its activities so as not to deviate from established policies or actions that violate the law (Yogiswari & Samantha, 2017). According to Suyanto and Suramono (2012), with the increasing number of independent commissioners in the company, supervision of manager performance can run more effectively. Independent commissioners are very important if the company establishes corporate governance. The existence of independent commissioners can increase supervision of the performance of directors, whereas, with more independent commissioners, management supervision is tighter.

Audit Committee

The audit committee is a committee formed by the company's board of commissioners that has the aim of carrying out a supervisory process regarding financial statements prepared by the company which aims to suppress fraud by company management (Koming &; Praditasari, 2017). The audit committee is tasked with conducting supervision to improve effectiveness in creating openness and quality financial reporting, compliance with applicable laws and regulations, and adequate internal supervision. With a sufficient audit committee in a company, it is expected to be able to reduce profit management practices and tax aggressiveness aimed at reducing the tax burden. Based on several authorities possessed, the audit committee will be able to prevent deviant behavior in financial statements through tax aggressiveness. Audit committees are measured based on the number of all audit committees in the company (Yogiswari &; Ramantha, 2017).

Hypothesis Development

The Effect of Corporate Social Responsibility on Tax Aggressiveness

In addition to financial factors, companies must also pay attention to non-financial factors to maintain their survival. A company that engages in a high policy of tax aggressiveness, socially will not account for it to the public. CSR can be said to be a form of corporate communication relationship with the community. This relationship aims to attract public attention so that the company has a positive image of the community. CSR is a form of corporate responsibility to all stakeholders and taxes are a form of corporate social responsibility to stakeholders through the government. Thus, companies involved in acts of tax aggressiveness are companies that are not socially responsible (Gunawan, 2017). So the company's decision to reduce its tax rate or engage in tax aggressiveness is influenced by its attitude towards CSR. The theory of

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legitimacy explains that there is a social contract that exists between the company and the society in which the company operates. This shows the responsibility of the company to the community. Thus it can be concluded, that the higher the level of CSR disclosure made by the company, it is expected that the company will not carry out tax aggressiveness. Research conducted by Nurcahyono and Kristiana (2019), Gunawan (2017), Rengganis and Putri (2018), and Andhari and Sukartha (2019) states that corporate social responsibility negatively affects tax aggressiveness.

H1: corporate social responsibility (CSR) negatively affects tax aggressiveness

The influence of the Independent Commissioner on the relationship between Corporate Social Responsibility (CSR) and Tax Aggressiveness

An Independent Commissioner is a member of the board of commissioners who is not affiliated and is not involved in any form of company management duties directly. The existence of an independent commissioner in the company is expected to be able to protect the interests of various company stakeholders, including the public, so that the opportunity for companies to take tax aggressiveness actions is getting smaller (Rengganis &; Putri, 2018). Independent commissioners can be incentivized and involved in making strategic policies and influencing management in making CSR disclosures and paying taxes according to provisions (Romadhina, 2020). Thus, the greater the number of independent commissioners, the better the oversight and control of the actions of directors, concerning their opportunistic behavior.

According to agency theory, an independent commissioner is required to supervise and monitor managerial actions about opportunistic behavior. This oversight can reduce agency issues that arise thereby reducing conflicts of interest between shareholders and company management. Research conducted by Novitasari et al (2017), Migang and Dina (2020), Ayuningtyas (2014), and Pitria and Wijaya (2017) showed that independent commissioners influence tax aggressiveness and can moderate corporate social responsibility on tax aggressiveness.

H2: Independent commissioners moderate the relationship between corporate social responsibility and tax aggressiveness.

The effect of the audit committee on the relationship between Corporate Social Responsibility (CSR) and Tax Aggressiveness

The audit committee is a committee formed by the board of commissioners to assist in the implementation of duties and supervision of company management. The audit committee with its authority will be able to prevent any deviant behavior or actions related to the company's financial statements and be able to be involved in making strategic policies and influencing management in making CSR disclosures and paying taxes according to the provisions (Romadhina, 2020). The more the number of audit committees in the company, the better supervision of the company's activities, and the desire of management to carry out tax aggressiveness can be minimized. This shows that companies that have an audit committee will be more responsible and open in presenting financial statements because the audit committee

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will always supervise all company activities to improve CSR disclosure carried out by the company (Diantari &; Ulupui, 2016).

Agency theory explains that management as an agent must perform tasks as instructed by the principal. By agency theory, audit committees are required to supervise managerial actions in connection with opportunistic behavior. This oversight can reduce agency issues that arise thereby reducing conflicts of interest between shareholders and company management. Research conducted by Ayem and Setyadi (2019), Diantari and Ulupui (2016), Yogiswari and Ramantha (2017), and Rista and Mulyani (2019) on the influence of corporate social responsibility on tax aggressiveness.

H3: Audit committee able to moderate the relationship between corporate social responsibility and tax aggressiveness

RESEARCH METHODS

The population in this study is all mining companies listed on the Indonesia Stock Exchange in 2018-2022. The sample in this study was obtained using the purposive sampling method, which is the selection of samples using certain criteria set by the researcher based on appropriate and rational considerations. The sample determination criteria used are as follows:

Mining companies listed on the Indonesia Stock Exchange (IDX) for the period 2018-2022

Mining companies that did not suffer losses in 2018-2022

The company has complete data that was used as a measurement of variables in this study.

The type of data used in this study is quantitative data. Data sources come from secondary data, namely in the form of financial statements obtained from electronic media. The data needed in this study is in the form of annual reports of companies listed on the Indonesia Stock Exchange (IDX) for the 2018-2022 period. The secondary data needed in this study were obtained through documentation methods. The analysis models in this study are panel data regression and moderated regression analysis (MRA). The advantages of panel data cause panel data to be able to detect and measure impacts better which cannot be done with cross section or time series methods.

Moderated Regression Analysis:

$Yit= \alpha + \beta_1 Xit + \varepsilon$................................ H1

$Y_2it= \alpha + \beta_1 Xit + \beta_2 X_1 M_1 it + \varepsilon$............... H2a

$Y3it= \alpha + \beta_1 Xit+ \beta_2 X_1 M_2 it+ \varepsilon$................. H2b

Information:

Y = Tax Aggressiveness

α = Constanta

β_1-β_2 = Regression coefficient

X = Corporate social responsibility (CSR)

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M_1 = Independent Commissioner

M_2 = Audit Committee

X1M1 = CSR*Independent commissioner

X1M2 = CSR*Komite Audit

i = Company data

t = Period data

ε = Error

There are several techniques offered in panel data regression, including common effect, fixed effect, and random effect. Meanwhile, to determine which model is by this study, the Chow test, Hausman test, and Lagrange multiplier test are used.

Variable Operational Definition

Tax aggressiveness in this study is measured using the effective tax rate (ETR) which is the ratio of net tax expense (total tax expense to company profit before income tax (pre-tax income, obaicomeom icome e the tate ofthe current the tire scriptur subscpcripur

$$\mathbf{ETR_i} = \frac{\textbf{Total Tax Expanse}}{\textbf{Earning after tax}}$$

Corporate social responsibility disclosure is measured by the CSRDI (Corporate Social Responsibility Disclosure Index) proxy based on GRI indicator version 4.0 which amounts to 91 items. This measurement is done by matching items on the checklist with items disclosed by the company. If item y is disclosed then a value of 1 is given, if item y is not disclosed then a value of 0 is given on the checklist. The results of item disclosure obtained from each company were calculated by CSRI proxy (Nurcahyono &; Kristiana, 2019)

$$\mathbf{CSRI_j} = \frac{\sum \mathbf{Xij}}{\mathbf{n_i}}$$

Information:

CSRIj: Corporate social responsibility index

∑Xij: value 1 = if item y is disclosed; 0= if item y is not disclosed

ni: number of CSR disclosure criteria 91 items

Independent commissioners in this study are measured using a comparison of the number of members of the independent board of commissioners with the total board of commissioners (Firdayanti &; Kiswanto, 2020).

The audit committee in this study is measured by using the number of all audit committees in the company (Yogiswari &; Ramantha, 2017).

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RESULTS AND DISCUSSION

Table 1: Statistik deskriptif

Descriptive Statistics					
		Mean	**Max**	**Min**	**Std. Dev**
ETR	115	0.302396	0.575300	0.051600	0.104366
CSR	115	0.363008	0.758200	0.054900	0.199406
INDP	115	0.398435	0.670000	0.250000	0.092780
KA	115	3.139130	4.000000	3.000000	0.347597

The variable tax aggressiveness (Y) shows the highest value of 0.575300 which occurred in Natural Resources Indonesia Tbk (KKGI) in 2018, then the lowest value of 0.051600 which occurred in Darma Henwa Tbk (DEWA) in 2019, with a standard deviation value of 0.104366 which means that the standard deviation value that is not too far from zero shows variations in data values Variable Tax Aggressiveness (Y) relatively small (close to homogeneous/not very variable). The Corporate Social Responsibility (X) variable shows the highest value of 0.758200 which occurred in Aneka Tambang Tbk (ANTM) in 2018 and 2020, then the lowest value of 0.054900 which occurred in Vale Indonesia Tbk (INCO) in 2020, with a standard deviation value of 0.217635 which means, with a standard deviation value that is not too far from zero indicates that the variation in the value of the CSR Variable (X) data is relatively small (close to homogeneous / not too variable).

In the variable, Independent Commissioner (Z1) showed the highest value of 0.670000 which occurred in Toba Batu Bara Sejahtera (TOBA) in 2016,2019,2020 and Delta Dunia Makmur (DOID) in 2017 than the lowest value of 0.250000 which occurred at PT. Bayan Resources Tbk (BYAN) in 2020, with a standard deviation value of 0.092780 which means, with a standard deviation value that is not too far from zero, it shows that the variation in the data value of the Independent Commissioner Variable (Z1) is relatively small (close to homogeneous / not too variable). The Audit Committee variable (Z2) shows the highest value of 4.000000 which occurs at PT. Bayan Resources Tbk (BYAN) in 2016-2019, Aneka Tambang Tbk (ANTM) in 2018 and 2020, Indo Tambangraya Megah Tbk (ITMG) in 2018-2022, Bukit Asam Tbk (PTBA) in 2018-2020, Petrosea Tbk (PTRO) in 2020, Astrindo Nusantara Infrastruktur Tbk (BIPI) in 2020 the lowest value of 3,000000 which occurred in all companies except PT. Bayan Resources Tbk (BYAN) in 2016-2019, Aneka Tambang Tbk (ANTM) in 2018 and 2020, Indo Tambangraya Megah Tbk (ITMG) in 2018-2022, Bukit Asam Tbk (PTBA) in 2018-2020, Petrosea Tbk (PTRO) in 2020, Astrindo Nusantara Infrastruktur Tbk (BIPI) in 2020, with a standard deviation value of 0.347597, which means, with a standard deviation value that is not too far from zero shows variations in data values Audit Committee Variables (Z2) are relatively small (close to homogeneous/not very variable).

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Random Method Panel Data Regression Analysis

Table 2: Regresi Data Panel Model Random

Variable	Coefficient	t-Statistic	Prob.
C	0.332531	13.51421	0.0000
CSR	-0.092618	-1.474478	0.1431
R-squared		0.040183	
Adjusted R-squared		0.014242	

Based on Table 2, equation 1 of the random effect model is as follows:

Yit = 0.332531 - 0.092618CSR+ eit

The simple regression equation of such panel data can be described as follows:

The value of the constant coefficient of 0.332531 means that if the Corporate Social Responsibility (CSR) Variable is zero, the Tax Aggressiveness Variable will be 0.332531. The value of the regression coefficient of the CSR variable shows a negative direction of 0.092618, meaning that if the CSR variable increases or decreases by one unit, the tax aggressiveness will decrease or increase by 0.092618.

Moderated Regression Analysis (MRA)

The Effect of CSR on Tax Aggressiveness with an Independent Commissioner as a Moderation Variable

Table 3. MRA CSR*INDEP Test

Variable	Coefficient	t-Statistic	Prob.
C	0.305549	3.095257	0.0025
CSR	-0.223020	-0.941631	0.3484
INDEP	0.074701	0.306564	0.7597
CSR*INDEP	0.308721	0.537168	0.5922

Based on the results of the analysis in Table 3. Equation 2 of moderation regression analysis can be obtained in this study, which is as follows:

Yit = 0.305549 - 0.223020CSR + 0.308721

CSR*INDEP + eit

The constant coefficient value of 0.305549 means that if the variables Corporate Social Responsibility, Good Corporate Governance, and CSR*INDEP are zero, then Tax Aggressiveness is 0.305549. The value of the regression coefficient of the CSR variable shows a negative direction of 0.223020, meaning that if the CSR variable increases or decreases by one in units, the tax aggressiveness will decrease or increase by 0.223020.

The value of the independent commissioner variable coefficient with a positive direction of 0.074701 means that if there is an increase or decrease in the independent commissioner variable by one in the unit, tax aggressiveness will increase or decrease by 0.074701.

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The CSR*INDEP variable shows a coefficient value with a positive direction of 0.308721. This means that if there is an increase or decrease in the CSR*INDEP variable by one in units, tax aggressiveness will increase or decrease by 0.308721.

The Effect of CSR on Tax Aggressiveness with the Audit Committee as a Moderation Variable

Table 4: MRA Test CSR*KA

Variable	Coefficient	t-Statistic	Prob.
C	1.230289	2.759324	0.0068
CSR	-1.645924	-2.123592	0.0359
KA	-0.295667	-2.013110	0.0465
INDEP*KA	0.505649	2.020354	0.0458

Based on the results of the analysis in Table 4, equation 3 of moderation regression analysis in this study can be obtained as follows:

Yit = 1.230289 - 1.645924CSR + 0.505649CSR *KA + eit

The value of the constant coefficient of 1.230289 means that if the variables Corporate Social Responsibility, Good Corporate Governance, and CSR *KA are zero, then Tax Aggressiveness is 1.230289.

The value of the regression coefficient of the CSR variable shows a negative direction of 1.645924, meaning that if the CSR variable increases or decreases by one in units, the tax aggressiveness will decrease or increase by 1.645924.

The value of the audit committee variable coefficient with a negative direction of 0.295667 means that if there is an increase or decrease in the audit committee variable by one in the unit, the tax aggressiveness will decrease or increase by 0.074701.

The CSR*KA variable shows a coefficient value with a positive direction of 0.505649. This means that if there is an increase or decrease in the M2 variable by one in units, tax aggressiveness will increase or decrease by 0.308721.

Uji Hipotesis

Coefficient of Determination Test

Table 4 shows the R-squared value of 0.040183, this number will be converted to percent, which means the percentage of contribution of the influence of the independent variable to the dependent variable. So the Independent variable in this study explains 4% of the variation in tax aggressiveness variables. While the remaining 96% is influenced by other variables not measured in this regression model, other variables may affect tax aggressiveness variables such as profitability, leverage, company size, and others.

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Partial Test (Test t)

In Table 2. The probability value is 0.1431 which means higher than the significance value of 0.05. This means that CSR (X) does not affect tax aggressiveness (Y). This shows that the higher or lower the CSR disclosure, it will not affect tax aggressiveness. So it can be concluded that the results of the first hypothesis (H1) that states CSR hurts tax aggressiveness **are rejected**

In Table 3, the probability value of independent commissioner CSR interaction (Z1) of 0.6730 is greater than the significance value of 0.05. This means that it is unable to moderate the relationship between CSR and tax aggressiveness, so it can be concluded that the results of the second hypothesis (H2) which states that independent commissioners can moderate the relationship between CSR and tax aggressiveness are **rejected**.

In Table 4, the probability value of CSR interaction with the Audit Committee (Z2) of 0.0458 is smaller than the significance value of 0.05. This means that the Audit Committee can moderate the relationship between CSR and tax aggressiveness, so it can be concluded that the third hypothesis (H3) which states that the Audit Committee can moderate the relationship between CSR and tax aggressiveness is **accepted**.

DISCUSSION

The Effect of Corporate Social Responsibility (CSR) on Tax Aggressiveness

The results of hypothesis testing show that corporate social responsibility (CSR) has no effect on tax aggressiveness, which means **hypothesis 1 is rejected**. This research shows that corporate social responsibility carried out by companies does not affect the level of corporate tax aggressiveness, which means that corporate social responsibility does not affect corporate awareness so companies pay tax burdens by tax rules or do not take tax aggressiveness actions.

The results showed that the absence of corporate social responsibility influence on tax aggressiveness can be caused because some mining companies in Indonesia have not made sustainability reports, even though the implementation of CSR is a mandatory thing. After all, it has been regulated in Law No. 40 of 2007. This can also be due to the CSR disclosures made by companies tend to be the same from year to year and cause no variation in disclosures made by companies. Can be seen at PT. Radiant Utama Interinsco (RUIS) has the same CSR disclosure value from 2018-2022, which is 0.3297.

The results of this study did not succeed in supporting the theory of legitimacy. Where legitimacy theory states that companies in running their business are adjusted to boundaries, norms, and social values to encourage companies to pay attention to their environment. The company's focus is not only on the environment in which the company was established but also on the management of the company itself (Nugraha &; Meiranto, 2015)

The results of this study are research conducted by Napitu and Kurniawan (2016), Romadhina (2020), and Firdayanti and Kiswanto (2020) which showed that social responsibility does not affect corporate tax aggressiveness. This is because the company does not focus on CSR disclosure as one of the efforts that can reduce tax aggressiveness.

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Independent Commissioner moderates CSR influence on tax aggressiveness

The test results showed that independent commissioners were unable to moderate the influence of corporate social responsibility on tax aggressiveness, which was **why hypothesis 2 was rejected**. Thus, the assertion that supervision carried out by an independent commissioner will moderate the influence of corporate social responsibility on tax aggressiveness cannot be proven. In Table 4, descriptive statistics show that independent commissioners in mining companies have an average of 0.393008. This means that the mining companies sampled in this study are according to the regulations set by the Financial Services Authority Number 33 / PJOK / 2014 which states that entities or companies must have at least 30% of the total number of members of the board of commissioners. However, based on the test results, the independent commissioner did not moderate the influence of corporate social responsibility on tax aggressiveness. The existence of independent commissioners is possible only to comply with government regulations, while majority shareholders and management still hold important control so that many or at least independent commissioners do not strengthen CSR disclosure against tax aggressiveness (Ayuningtyas, 2014).

The results of this study do not support the agency's theory. Agency theory explains that good corporate governance proxied by independent commissioners has an important role in minimizing agency conflicts that occur between shareholders and managers. The presence of independent commissioners with numbers that have met the criteria is considered capable of tightening supervision over management actions (Nugraha &; Meiranto, 2015). The results of this study are the results of research conducted by Rengganis and Putri (2018), Yogiswari and Ramantha (2017), and Firdayanti and Kiswanto (2020) which stated that a large number of independent commissioners does not guarantee the effectiveness of GCG implementation because it only acts as a fulfillment of regulations.

Audit Committee moderates CSR influence on tax aggressiveness

The test results showed that the audit committee was able to moderate the influence of corporate social responsibility on tax aggressiveness, which means hypothesis **3 is accepted**. The audit committee has proven to be able to moderate the influence of corporate social responsibility. This is because the audit committee with its authority will be able to prevent all deviant behavior related to the company's financial statements and be able to influence management in making CSR disclosures and paying taxes according to rates and provisions (Romadhina, 2020). The audit committee affects corporate social responsibility where the role of the audit committee has an impact on corporate actions in influencing the accountability of the implementation strategy of corporate social responsibility disclosure. Thus, it will minimize the possibility of tax aggressiveness being carried out. The results of this study successfully support the agency's theory. Agency theory explains that the audit committee is needed to supervise and monitor managerial actions in connection with opportunistic behavior. This oversight can reduce agency issues that arise thereby reducing conflicts of interest between shareholders and company management.

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The results of this study are the results of research conducted by Yogiswari and Ramantha (2017), Nina and Apollo (2020), and Rista and Mulyani (2019) which stated that the audit committee was able to moderate the influence of CSR on tax aggressiveness. With the large number of audit committees in the company, supervision of company activities will be better and management's desire to carry out tax aggressiveness can be minimized.

CONCLUSION

Based on the results of the analysis that has been obtained. So the conclusions that can be drawn from this study are as follows: Corporate social responsibility (CSR) has no effect on tax aggressiveness, therefore the first hypothesis that CSR hurts tax aggressiveness is rejected. Independent Commissioners cannot moderate the influence of corporate social responsibility on tax aggressiveness. The audit committee can moderate the effect of corporate social responsibility on tax aggressiveness.

Limitations

Some of the limitations found by researchers are as follows:

The sample in this study only uses companies in the mining sector.

The value of R Square is 0.40 or it can be interpreted that the independent variable used in the model has a contribution of 4% while the remaining 96% is explained by other variables that were not studied in this study. Information on the company's CSR activities that become the material for company analysis only comes from the annual report, so this study assumes that if there are activities or matters related to CSR that are not included in the annual report, it is considered that the company does not do it.

Suggestion

Based on the limitations obtained, the suggestions that can be given are as follows:

Further research is recommended using companies from other sectors or using all sectors of companies listed on the Indonesia Stock Exchange. Further researchers are advised to add other variables that were not studied in this study that can affect tax aggressiveness such as profitability, inventory intensity, capital intensity, and leverage. Furthermore, it is recommended to use sustainability reports in assuming CSR activities so that researchers know more details about the company's CSR activities.

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