The Effect of Income Smoothing and Thin Capitalization on Tax Avoidance with Independent Commissioners as a Moderating Variable

***By* Ledia Hanoon Wijayanti**

Abstract

This study investigates the impact of independent commissioners as a moderating variable on income smoothing and thin capitalization in the context of tax avoidance among companies listed on the Indonesia Stock Exchange (IDX) and the Bursa Malaysia from 2022 to 2024. The study used purposive sampling and included 98 companies, yielding 294 observations in total. The data were analysed using a Fixed Effects Model (FEM). The results show that income smoothing and thin capitalisation has no statistically significant effect on tax avoidance. These findings are designed to assist corporations, investors, and regulators with insights into the factors that impact tax avoidance.

***Keywords**: Tax Avoidance, Income Smoothing, Thin Capitalization, Independent Commissioners.*

Pengaruh *Income Smoothing* dan *Thin Capitalization* terhadap *Tax Avoidance* dengan Komisaris Independen sebagai Variabel Moderasi

Oleh Ledia Hanoon Wijayanti

Abstrak

Penelitian ini mengeksplorasi pengaruh komisaris independen sebagai variabel moderasi terhadap *income smoothing* dan *thin capitalization* dalam konteks *tax avoidance* pada perusahaan terdaftar Bursa Efek Indonesia (BEI) dan Bursa Malaysia periode 2022 hingga 2024. Dengan menggunakan *purposive sampling*, penelitian melibatkan 98 perusahaan dan menghasilkan 294 observasi. Data dianalisis menggunakan *fixed effect model* (FEM). Hasil menunjukkan *income smoothing* dan *thin capitalization* tidak berpengaruh signifikan terhadap penghindaran pajak. Temuan ini diharapkan memberikan wawasan bagi perusahaan, investor dan regulator mengenai faktor–faktor yang memengaruhi pencegahan pajak.

Kata Kunci: *Tax Avoidance, Income Smoothing, Thin Capitalization*, Komisaris Independen.