International Journal of Accounting and Economics Studies, 12 (6) (2025) 544-554

International Journal of Accounting and Economics Studies

Website: www.sciencepubco.com/index.php/IJAES
https://doi.org/10.14419/39pfp286
Research paper

Tax Avoidance Practices in ASEAN Countries: Effect of Environmental, Social, and Governance, and Capital Intensity

Mukhtaruddin *, Hani Maria Angel Siahaan, Agil Novriansa, Umi Kalsum

Accounting Department, Faculty of Economics, Universitas Sriwijaya, Palembang, Indonesia
**Corresponding author E-mail: yuditz@yahoo.com*

Received: August 4, 2025, Accepted: September 8, 2025, Published: October 14, 2025

Abstract

The purpose of this study is to investigate the environmental, social, and governance (ESG) and capital intensity (CI) factors that affect tax avoidance (TA). The 3,634 non-financial companies in ASEAN countries are the research population. The research sample is 87 companies. Panel data multiple regression is the analysis method employed. The results showed ESG has a positive and significant and CI has a negative and significant to TA. CI and ESG initiatives are intended to improve legitimacy and streamline business processes. There is a substantial difference in TA between the pandemic and the non-pandemic period. The Philippines is a country with a tendency to be more tax-compliant, resulting in a lower level of TA practices. As the tax authority, the government must always keep an eye on how businesses are acting in relation to ESG and their investments in assets to make sure these activities aren't being used as a cover for TA.

Keywords: *tax avoidance, environmental, social and governance, capital intensity, firm size, debt to equity ratio, return on assets*

1. Introduction

Taxes are one of the largest sources of financing in the development of a country. Tax is defined as a mandatory levy imposed on individual and corporate taxpayers. Taxes are compulsory and provide indirect benefits to taxpayers (Pamungkas et al., 2022). The company is obligated to pay taxes in accordance with the applicable tax regulations. Revenue from the tax sector compared to the total value of goods and services produced is called the tax ratio (Kurniawan, 2020; Muljono, 2020). The higher the tax ratio of a country, the better the economic condition because more funds can be collected from taxes. The following presents the tax ratio of several countries during the period 2020 – 2022, namely;

Table 1: Tax Ratio Some Countries 2020 – 2022 (%)

Country	2020	2021	2022
ASEAN			
Indonesia	8.33	9.11	10.58
Singapore	12.89	12.80	12.96
Malaysia	10.90	11.40	11.40
Thailand	14.48	16.50	17.18
Philippines	14.10	17.80	14.60
Vietnam	16.90	22.70	16.25
Others Countries			
Japan	33.00	34.10	34.40
Australia	28.40	29.50	29.97
United States of America	25.75	26.58	25.20
New Zealand	29.26	31.39	31.53
Brazil	30.50	32.50	33.30
Mexico	17.00	17.30	16.80

Source: CEIC Data, 2025

Table 1 shows that the tax ratio of ASEAN countries is lower compared to several other countries. This low tax ratio indicates that the revenue from the tax sector in ASEAN countries is still low. The low tax revenue is caused by the behavior and perception of taxpayers towards taxes (Falbo & Firmansyah, 2019). For taxpayers, paying taxes results in a company's expenditure, so the company tends to minimize its tax payments. On the other hand, the government wants to maximize tax revenue to finance the administration of the government. The tax burden paid by the company causes a decrease in net profit (Bimo et al., 2019). The company strives to reduce its tax burden by engaging in TA practices. It efforts are carried out by exploiting loopholes in tax regulations (Firmansyah & Bahri, 2022). TA is a legally permissible action, but this practice is not favored by the government because it reduces tax revenue (Khlifi et al., 2024). TA indicates that companies have not maximized their responsibilities towards environmental and social issues (Mkadmi & Ali, 2024; Souguir et al., 2024). This then encourages stock exchanges in the ASEAN region to enhance corporate transparency and accountability, one of which is through ESG disclosures (Daud et al., 2024). The goal is to promote sustainable business practices and help prevent of TA practices by paying attention to environmental and social issues.

The ASEAN region is an area with significant and rapid economic growth (Nguyen et al., 2023). The intense business competition among these countries drives companies to seek competitive advantages, including through tax burden optimization (Duong & Huang, 2022). Google, Apple, Ikea, Starbucks, and Microsoft are large companies that have engaged in TA strategies (Rifai & Atiningsih, 2019). It is carried out by Indonesian companies, such as PT Adaro Energy. The company engages in transfer pricing practices involving two countries: Indonesia and Singapore. The company transferred profits to its subsidiary in Singapore. The company engaged in buying and selling coal to its subsidiary in Singapore at a lower price. As a result, the company has achieved a tax saving of US$125 million (Globalwitness, 2019). TA practices once occurred in Thailand, carried out by Philip Morris. The company is alleged to have caused the country a loss of around US$662 million. The company is accused of manipulating cigarette import data from the Philippines. The reported import value was lower than the actual value, thereby reducing the amount of tax that should be paid (VOA Indonesia, 2019). TA has also occurred in the Philippines involving Alice Guo, the former Mayor of Bamban, Tarlac, along with two others, including an official from Baofu Land Development Inc. The actions that form the basis of TA charges include the transfer of Guo's shares in Baofu without paying the required taxes, namely the capital gains tax and documentary stamp tax (Laqui, 2024). This phenomenon shows that TA practices, which are highly detrimental to the state in the ASEAN region, occur frequently.

This research uses three theoretical frameworks: agency theory, legitimacy theory, and stakeholder theory. Agency theory is a contractual relationship that occurs between the company's manager and the owner. The agency theory can be seen through the differences in interests between the agent and the principal. The agent seeks to minimize the company's tax payments through TA, while the principal expects maximum tax payments (Firmansyah & Bahri, 2022). The legitimacy theory reveals that a company's legitimacy will be viewed positively if the company's strategy aligns with societal expectations (Lukman et al., 2024). Therefore, the disclosure of good ESG performance impacts financial support and investment in achieving optimal profits and business expansion (Inawati & Rahmawati, 2023). The stakeholder theory reveals the motivation from the company towards the transparency of ESG disclosure (Fuadah et al., 2022). This theory states that a company will strive to increase profits and company value to meet the expectations of stakeholders related to the concept of CSR (El-Deeb et al., 2023).

ESG is a series of activities that companies undertake related to the surrounding environmental aspects, interactions with the social environment, and also regarding the company's internal controls (Bimo et al., 2019). ESG is carried out by companies to enhance the image of the company that prioritizes ethics in business (Yoon et al., 2021). The company will gain the trust of stakeholders, which positively impacts the company's value in the long term (Yudhanto & Simamora, 2023). Good ESG performance represents the company's commitment to fulfilling social obligations in achieving sustainability (E-Vahdati et al., 2022).

Countries in the ASEAN region have integrated ESG principles into various regional policies and initiatives in response to global challenges such as climate change and social inequality (Aziz et al., 2024). The high ESG performance can actually lead to TA practices (Zhang et al., 2021). Most research related to ESG focuses on the influence of ESG on company performance; therefore, research on the impact of ESG disclosure on TA is highly needed. This is done to obtain more accurate evidence regarding the role of ESG disclosure.

CI is suspected to be a driving factor behind TA practices. The company invests in fixed assets, which are referred to as CI (Rifai & Atiningsih, 2019). The higher the level of investment in fixed assets, the more it increases depreciation expenses and reduces the tax expense. Therefore, it is suspected that fixed assets encourage companies to engage in TA practices (Firmansyah & Bahri, 2022).

Research on ESG and CI regarding TA has been extensively conducted previously and has diverse and contradictory results. Studies related to ESG and TA are conducted by Anggraini & Wahyudi (2022), Yoon et al. (2021), Zhang et al. (2021); and Duong & Huang (2022) have obtained different results. This can occur because the research was conducted by taking samples from various countries, namely Indonesia, Korea, China, and countries in Southeast Asia. Muhmad et al. (2020); Omesi & Appah (2021); Aladwey (2022); Wang et al. (2024) conducted research on CI and TA in different countries, resulting in contradictory findings. The research was conducted in the countries of Malaysia, Nigeria, Egypt, and China. Contradictory results can also be caused by various complex factors, whether cultural, social, economic, or methodological.

In Indonesia, many studies have been conducted regarding the influence of ESG and TA, and diverse research results have been found, such as Anggraini & Wahyudi (2022); Pratiwi et al. (2024); Ramadhan & Wadi (2024); Nurlaely & Dewi (2023); Hidayat & Zuhroh (2023); Sugimin et al. (2024); Mukhtaruddin et al. (2024); Teja (2024). In addition, research on CI and TA is conducted by Rifai & Atiningsih (2019); Sinaga & Suardikha (2019); Suciarti et al. (2020); Zoebar & Miftah (2020); Darsani & Sukartha (2021); Ulfa et al. (2021); Putri et al. (2022); Rahma et al. (2022); Apriani & Sunarto (2022) also yielded varying results. Differences in companies and the years of research in each study can be factors that cause contradictions and diversity in the research results previously conducted.

The diversity and inconsistency of several previous studies prompted the author to conduct further research by adding control variables: firm size, profitability, and leverage. Previous research related to corporate governance and CSR affecting TA has been extensively conducted compared to research on ESG and TA. However, ESG-related research is still more often associated with its impact on corporate performance, whereas ESG is also an interesting topic that needs to be studied more deeply in relation to TA practices.

The selection of non-financial companies located in ASEAN countries, Indonesia, Malaysia, Thailand, Singapore, and the Philippines, is due to the rapid economic growth in this region. Research on the impact of ESG performance on TA in ASEAN countries offers an interesting and relevant perspective in the current global economic context. The intense business competition among ASEAN countries encourages companies to enhance their competitive value, including by optimizing their tax expense (Duong & Huang, 2022). Companies in this region also pay attention to sustainability and good corporate governance. Another reason for selecting non-financial companies, which encompass various industries such as consumer goods, energy, and technology in ASEAN countries, is their close ties to ESG issues and TA practices.

2. Literature Review and Hypothesis Development

2.1 Agency Theory

Agency theory describes the relationship between the principal and the agent (Jensen & Meckling, 1979). The relationship between the government and companies is considered a principal-agent relationship. The government, as the principal, aims to maximize societal welfare through tax revenue, while the taxpayer, as the agent, aims to maximize their profit. The basic assumption of agency theory is the existence of information asymmetry, where management has better information about the company's condition compared to the government. This creates a potential conflict of interest in taxation and encourages TA efforts by the company (Tanujaya & Cantikasari, 2022).

The separation of policy and authority causes the company to act as an agent, taking actions contrary to the principal's wishes. The agent expects a minimal tax expense, while the principal expects tax payments to be realized in accordance with the applicable regulations, as a form of awareness as a citizen. The company aims to minimize the tax expense so as not to reduce the profits obtained. The government continues to strive to increase tax revenue by adjusting every tax regulation. Based on agency theory, the difference in objectives between the agent and the principal, driven by the agent's desire to minimize tax expense and the principal's desire to optimize tax payments, creates agency relationship issues (Fajarwati & Ramadhanti, 2021).

2.2 Legitimacy Theory

The legitimacy theory highlights how crucial it is that businesses take societal norms into account. The objective is for society to accept the company's existence (Lukman et al., 2024). According to the legitimacy theory, businesses and society are inextricably linked. To get the community's acceptance and support, the business must show that it is dedicated to social and environmental concerns. The corporation must demonstrate that its operations are consistent with societal ideals. A business may acquire social and environmental legitimacy by being open and honest about its social and environmental performance (Chairani & Zuraida, 2021; Ruan & Liu, 2021).

The legitimacy theory is concerned with how businesses interact with and adjust to social values and societal expectations (Dowling & Pfeffer, 1975). Showing that you are committed to ESG concerns is one way to get legitimacy. Because of this, legitimacy theory and ESG ratings are tightly tied. A company's social and environmental obligations are reflected in its ESG ratings. The public's trust in a firm is measured by its ESG ratings. According to the public, a company's legitimacy increases with its ESG score (Chairani & Zuraida, 2021; Ruan & Liu, 2021). A company's increased earnings are influenced by its high level of legitimacy, which increases the likelihood of TA. The viability of the business may be threatened by the loss of credibility brought on by TA tactics (Duhoon & Singh, 2023).

2.3 Stakeholder Theory

The capacity of a business to balance and satisfy the interests of many stakeholder groups is crucial to its longevity and success, according to the stakeholder theory (Freeman, 1984). According to the stakeholder idea, everyone who has a stake in the business has a right to know about all of its operations that affect them. According to this view, a company's activities take place in a complicated environment. distinct groups of people or organizations can affect one another and have distinct interests. The stakeholder theory highlights how crucial it is to strike a balance between the interests of different groups that have a stake in the business. These organizations have the power to affect the sustainability of the business in either a favorable or unfavorable way.

The social performance becomes a relevant indicator to measure the company's ability to meet the expectations of stakeholders. The ESG score reflects the results of the company's efforts to integrate social responsibility with profitability goals, thereby reducing business risks (Sumunar & Djakman, 2020). Stakeholders can provide support to the company in various forms, ranging from consumer actions, financial actions, to social actions. This is in line with the concept of stakeholder theory (El-Deeb et al., 2023). Stakeholder theory places the company's responsibility towards stakeholders as the main focus. Internal stakeholders show a higher level of satisfaction when the company operates in accordance with existing social norms (Mu et al., 2024).

2.4 Environmental, Social, Governance

Investors and policymakers demand comprehensive information regarding sustainable finance practices. Initially, CSR was considered a positive step in supporting sustainable finance. However, the 2007 financial crisis revealed the limitations of CSR information in predicting a company's resilience in facing sustainability challenges. As a result, the concept of ESG emerged as a more comprehensive framework for measuring corporate sustainability and informing investment decision-making (Karyani & Perdiansyah, 2022).

ESG is an assessment conducted using research data related to ESG performance by calculating the weighted average of the three ESG components, namely environment, social, and governance. The ESG disclosed by the company is a reporting mechanism used by the company to communicate strategies, performance, and risk management related to ESG aspects. The company strives to build stakeholder trust by demonstrating that it has integrated ESG principles into all its business activities (Alareeni & Hamdan, 2020).

Companies with high ESG scores will attract more attention from sustainability-oriented investors. ESG not only benefits the company but also has a positive impact on society (Angir & Weli, 2024). ESG will also help drive business sustainability. Companies will be able to achieve business sustainability when they no longer sacrifice the environment and their surroundings to generate profits (Yudhanto & Simamora, 2023). However, some companies with high ESG performance take this opportunity to increase their profits and engage in TA to maintain those profits, ensuring the company remains competitive in the market (Zhang et al., 2021).

2.5 Capital Intensity

CI is a ratio that measures the proportion of fixed assets in the total assets. These fixed assets provide benefits in the form of tax reductions through depreciation mechanisms. The amount of tax reduction depends on the type of fixed asset and the accounting policies applied (Darsani & Sukartha, 2021). CI is a ratio that indicates the level of a company's dependence on physical assets (such as machinery, factories, equipment) in its production process. The higher the ratio, the more efficient the company is in using its assets (Candraniawati & Suhendra, 2023). CI indicates the amount of fixed capital required by a company to produce one unit of output. Companies often use fixed assets as a tool to manage tax burdens. The higher the value of fixed assets, the greater the potential tax reduction through depreciation expenses (Sinaga & Suardikha, 2019). CI is one of the commonly used tax planning strategies (Firmansyah & Bahri, 2022).

2.6 Tax Avoidance

TA is a phenomenon that impacts the decreasing revenue that the state will receive. TA is a rational business strategy that involves real economic decisions offering substantial benefits (Ariff et al., 2023). TA is a legal practice carried out by taxpayers to minimize the tax burden they must bear. This practice is carried out by exploiting loopholes in tax regulations that allow for tax burden reduction without violating legal provisions (Duhoon & Singh, 2023). TA hurts state revenue. The government realizes that large companies are often proactive in seeking strategies to optimize their tax burden (Novriyanti & Dalam, 2020). TA is carried out by utilizing various tax facilities provided by the government, such as exemptions, deductions, or unclear provisions (Stawati, 2020). TA is a legal effort by companies to minimize their tax burden by optimally utilizing existing tax provisions. TA does not involve any unlawful actions, but unethical practices (Duhoon & Singh, 2023).

2.7 Hypothesis

ESG is a set of corporate considerations related to ESG that affect the company's ability to execute business strategies and create long-term value. ESG performance can be seen from the ESG score obtained by the company (E-Vahdati et al., 2022). Companies with high ESG scores will attract the interest of investors who are increasingly concerned about the social and environmental impact of their investments. The higher the ESG score, the better its performance in terms of environmental, social, and governance aspects. In line with the principles of stakeholder theory and legitimacy theory, a company's success is not only measured by profitability but also by its ability to meet the interests of stakeholders. The existence and sustainability of a company are greatly influenced by the level of trust from its stakeholders (Sumunar & Djakman, 2020).

The better the ESG disclosure score achieved by the company, the greater the opportunity to access a wider range of funding sources. The company realizes that having a good ESG disclosure score can be a catalyst in building trust with investors and the wider community. ESG can be an effective tool for restoring reputation (Karyani & Perdiansyah, 2022). This means that a good ESG score also has the potential to influence companies to engage in TA. Previous research found that ESG performance significantly affects TA (Mukhtaruddin et al, 2024; Nurlaely & Dewi, 2023; Megeid, 2023; Duong & Huang, 2022; Zhang et al, 2021; Yoon et al, 2021). The first hypothesis is formulated as follows:

H1: ESG performance affects tax avoidance

CI is a ratio that represents the level of capital required by a company to generate profits obtained from fixed assets (Pamungkas et al., 2022). CI is the action of the company investing its capital in the form of fixed assets. CI is also used by management to reduce the tax burden that must be paid. This condition is caused by the company's fixed assets generating depreciation or amortization expenses, which reduce the profit. As a result, the taxes that need to be paid will also decrease due to the decline in profit (Darsani & Sukartha, 2021).

The company will strive to utilize the depreciation expense as a tax deduction. The company does not want the tax burden to significantly reduce the generated profit. That action is contrary to the government's goal of maximizing state revenue through taxation. In line with the agency theory used in this study, the conflict of interest that occurs between the government and the company is a trigger for TA carried out by the company through CI. Previous research found that CI influences TA practices (Wang et al, 2024; Putri et al, 2022; Rahma et al, 2022; Darsani & Sukartha, 2021; dan Muhmad et al, 2020; Suciarti et al, 2020; Rifai & Atiningsih, 2019; Sinaga & Suardikha, 2019). The second hypothesis is formulated as follows:

H2: Capital Intensity affects tax avoidance

3. Research Methodology

3.1 Population and Sample

The research population consists of non-financial companies in Indonesia, Malaysia, Thailand, Singapore, and the Philippines from 2019 to 2023, with a total population of 3,634 companies. This research on non-financial companies in ASEAN countries is the research object based on several considerations. First, ASEAN's strategic position in the global supply chain and rapid economic growth make the region a significant center of business activity. Second, non-financial companies, which encompass various industries such as consumer goods, energy, and technology, have a close relationship with ESG issues and TA. The operational complexity and wide-ranging impact of non-financial company activities make them an interesting subject for research to understand the dynamics between the implementation of ESG policies and corporate tax behavior. This research uses a purposive sampling method with established company criteria, such as the companies having an ESG score, making a profit during the observation period, and all variable data being available. Based on these criteria, a total of 87 companies were obtained for the five-year observation period, resulting in 435 observations.

3.2 Variable definition and measurement

This research uses independent variables, namely ESG performance and CI. The dependent variable is TA. This research employs three control variables: firm size, profitability, and leverage. Control variables are used to ensure that the research results can consistently and validly explain the relationship between ESG and CI on TA without interference from other external factors (Lukman et al., 2024).

Table 2: Variable definition and measurement

Variable	Definition	Measurement
Tax Avoidance (TA)	The efforts are made by company to reduce the tax burden that must be paid by exploiting loopholes in tax regulations (Duhoon & Singh, 2023).	$\mathrm{CETR} = \frac{\text{Tax paid}}{\text{Pre} - \text{tax profit}}$
Environmental, Social, Governance (ESG)	Score that represents the level of disclosure of information related to environmental, social, and governance (E-Vahdati et al., 2022).	overallore
Capital Intensity (CI)	The ratio shows fixed assets from the total assets owned by the company to generate revenue (Fajarwati & Ramadhanti, 2021).	$\mathrm{CI} = \frac{\text{Fixed Assets}}{\text{Total Assets}}$
Firm Size (FS)	The scale or size of a company is seen from the total assets of the company	$\mathrm{FS} = \mathrm{Ln}\ (\text{Total Assets})$

	(Prabowo & Sahlan, 2022).	
Return on Assets (ROA)	The ratio that shows the efficiency of the company in generating profits from the economic resources owned by the company. (Widadi et al., 2022).	$, ROA = \frac{\text{Net Income After Tax}}{\text{Total Assets}}$
Debt to Equity Ratio (DER)	The ratio describes the company's ability to finance its operations with debt rather than its own capital sources. (Firmansyah & Bahri, 2022).	$DER = \frac{\text{Total Debt}}{\text{Total Equity}}$

3.3 Data Analysis Techniques

3.3.1 Descriptive Statistics

Descriptive statistical analysis in this study is a method to provide an initial overview of the characteristics of the data that has been collected (Nurlaely & Dewi, 2023). Descriptive statistics will be used, namely maximum, minimum, mean, and measures of data standard deviation. This method is used to summarize and present research data so that important and relevant information can be understood.

3.3.2 Estimation of Panel Data Regression Model

Model estimation in panel data regression aims to identify and measure the influence of independent variables on dependent variables by controlling variations between units (such as individuals or companies) and over time more accurately and comprehensively. The first step in panel data regression analysis is to estimate three models, namely the Common Effect Model (CEM), Fixed Effect Model (FEM), and Random Effect Model (REM) (Ismanto & Pebruary, 2021). The selection of the appropriate panel data regression model highly depends on the statistical considerations underlying the data. The purpose of doing so is to obtain accurate and relevant estimation results for the research objectives, so that the conclusions drawn can be reliable. Three model testing approaches used are (1) the Chow Test. This test is used to determine the most appropriate model for analyzing panel data between FEM and REM, and CEM, and (2) the Hausman Test. This test is used to determine the most appropriate model for analyzing panel data between FEM and REM, and (3) the Lagrange Multiplier Test. This test is conducted to determine the most appropriate model for analyzing panel data by considering the most suitable model between REM and CEM (Ismanto & Pebruary, 2021).

3.4 Panel Data Regression Testing

3.4.1 Panel Data Regression Analysis

Panel data regression analysis is a statistical method used to analyze data that has a panel structure, which consists of observations of the same companies over several time periods. This analysis aims to examine the relationship between the dependent variable and the independent variable. The dependent variable is assumed to be a linear combination of the independent variables, plus an error component. This study also uses three control variables to reduce bias in the research, thereby obtaining accurate results regarding the influence of independent variables on the dependent variable. The panel data regression analysis in this study uses the following equation model:

$$CETRit = \alpha + \beta 1ESGit + \beta 2CIit + \beta 3FSit + \beta 4ROAit + \beta 5DERit + \varepsilon it$$

4. Results and Discussion

4.1 Research Results

4.1.1 Data Descriptive

The research sample consisted of 87 companies over five years of observation, resulting in a sample of 435 observation data. The companies selected as the research sample represent 9 sectors of non-financial companies consist including raw material, customer goods-primary, energy, health, industrial, property and real estate, technology, and utility. Descriptive statistical analysis is the initial step in conducting data analysis. Descriptive statistical analysis is conducted to describe the characteristics of the data for each variable used in the research. This analysis includes the minimum, maximum, average, and standard deviation of each variable, namely ESG, CI, TA, and the control variables used. The results of the descriptive statistical analysis can be seen in the table below:

Table 3: Descriptive Statistics

Variables	Obs.	Mean	Median	Max.	Min.	Std. Dev.
CETR	435	0.2334	0.1940	0.9380	0.0002	0.1656
ESG	435	57.4177	58.7800	91.6000	10.1900	16.4314
CI	435	0.5615	0.5780	0.9920	0.0270	0.2257
FS	435	21.8013	21.7020	25.3360	18.3460	1.2956
ROA	435	0.0707	0.0560	0.4540	0.0010	0.0582
DER	435	0.8152	0.5980	8.9990	0.0005	0.9326

Source: Data processing, 2025

Table 3 shows that the minimum CETR of 0.0002 is held by the Singapore CapitaLand Integrated Commercial Trust in 2019. The maximum CETR of 0.9380 is held by the Malaysian IOI Properties Group in 2022. The minimum ESG of 10.1900 is held by the Thailand, Carabao Group PCL, in 2019. The maximum ESG of 91.6000 is held by the Malaysia Nestle Malaysia in 2021. The minimum CI of 0.0270 is held by Thailand, Mega Lifesciences PCL, in 2023. The maximum CI of 0.9920 is held by the Singapore CapitaLand Integrated Commercial Trust in 2023. The minimum FS of 18.346 is held by Thailand, Taokaenoi Food & Marketing PCL in 2022. The maximum FS of 25.336 is held by Thailand, PTT PCL, in 2022. The minimum ROA of 0.0010 is held by Thailand, Ratch Group PCL, in 2022. The maximum ROA of 0.4540 is held by the Indonesian, PT Indo Tambangraya Megah Tbk, in 2022. The minimum DER of

0.0005 is held by the Indonesian PT. Indocement Tunggal Prakarsa Tbk, in 2019. The maximum DER of 8.9990 is held by the Malaysian, CelcomDigi, in 2020.

4.1.2 Estimation of Panel Data Regression Model

The results of the panel data regression model estimation yielded a cross-section Fp-value of 0.0000. This value is smaller than 0.05, leading to the conclusion that the best model chosen is FEM. (2) Hausman Test. This test is used to decide the most appropriate model for analyzing panel data between FEM and REM. FEM is the appropriate model to use when the cross-section Fp-value < 0.05. The test results yielded a cross-section p-value of 0.0007. This value is smaller than 0.05, leading to the conclusion that the best model chosen is FEM, and (3) The Chow test and the Hausman test have been conducted and yielded the same result, namely that the most appropriate model used in this study is FEM. The Lagrange multiplier test does not need to be conducted again due to the similarity of results from the two previous tests. Panel data regression analysis is the regression analysis used in this study. After undergoing regression model selection testing, it was found that FEM is the appropriate regression model to use. Here are the results of the panel data regression analysis using FEM.

Table 4: Result of data panel regression

Variable	Fixed Effect Model	Standard Error
Constant	0.959882	0.590028
ESG	0.051094	0.013996
CI	-0.170067	0.037928
FS	-0.636385	0.247576
ROA	-1.005125	0.104618
DER	0.012709	0.005374
Observation	435	
R-squared	0,931886	
Adjusted R-squared	0,913815	

Source: Data processing, 2025

Based on Table 4, the data panel regression equation is as follows;

CETR = 0.959882 + 0.051094ESG – 0.170067CI – 0.636385FS – 1.005125ROA + 0.012709DER

The constant value (α) of 0.959882 indicates that if the ESG, CI, FS, ROA, and ROE are held constant, TA is 0.959882. The ESG coefficient is +0.051094. This means that for every one-unit increase in ESG, the CETR increases by 0.051094. The CI coefficient is -0.170067. It means every one-unit increase in CI, the CETR decreases by 0.170067. The FS coefficient is -0.636385. This means that for every one-unit increase in FS, the CETR decreases by 0.636385. The ROA coefficient is -1.005125. It means every one-unit increase in ROA, the CETR decreases by 1.005125. The DER coefficient is 0.012709. It means every one-unit increase in DER, the CETR increases by 0.012709.

4.1.3 Hypothesis Testing

The results of the robust panel data regression can be seen in the following table;

Table 5: The result of panel data regression

Variable	Coefficient	Std. Error	t-Statistic	Probability
C	0,959882	0,590029	1,626842	0,1047
ESG	0,051094	0,013996	3,650608	0,0003
CI	- 0,170067	0,037928	- 4,483977	0,0000
FS	- 0,636385	0,247576	- 2,570462	0,0106
ROA	- 1,005125	-1,005125	- 9,607589	0,0000
DER	0,012709	0,012709	2,364689	0,0186
R-Squared	0,931886	Mean dependent variance		0,444181
Adjusted R-Squared	0,913185	S.D. dependent variance		0,361709
S.E of regression	0,114199	Sum of squared residuals		4,473226
F-statistic	51,56799	Durbin-Watson statistics		2,432702
Probability (F-statistic)	0,000000			

Source: Data processing, 2025

The results of the panel data regression analysis show that the R-square value is 0.931886, indicating that ESG performance and CI, as well as control variables: FS, ROA, and ROE, can explain 93.18% of the changes in TA, while the remaining 6.88% is explained by other variables outside the research model. The model feasibility test or F-stat probability is 0.0000. The probability is less than 0.05. Thus, the research model used is categorized as a feasible model. The t-test results in an ESG performance coefficient of 0.051094. The probability of ESG performance is 0.0003, which is less than 0.05. This proves that ESG performance has a significantly positive impact on TA, thus H1 is accepted. The t-test results show a CI coefficient of -0.170067. The probability of CI at 0.0000, which is less than 0.05, proves that CI has a significant negative effect on TA, and H2 is accepted. The FS coefficient is -0.636385 means that an increase in FS leads to a decrease in TA. The probability of 0.0106 is less than 0.05, which proves that FS has a significantly negative impact on TA. The ROA coefficient is -1.005125 means that ROA hurts TA. The probability of 0.000 is less than 0.05, which means that the higher the ROA, the greater the tendency for increased TA. The ROE coefficient of 0.012709 means that the higher the ROE, the more the company engages in TA. The probability of 0.0189, which is less than 0.05, proves that ROE has a positive effect on TA.

4.2 Discussion

The results of the H1 test found that ESG has a significant positive influence on TA. The higher of CETR means the lower the level of TA. It means, the good ESG performance can enhance corporate tax compliance and reduce TA. Changes in a company's ESG performance encourage the company to engage in TA. ESG is a framework that measures a company's impact on the environment, society, and corporate governance. The ESG concept makes its main focus ensuring that companies operate sustainably, responsibly, and transparently. Companies with good ESG performance also have good business strategies, which increases their sense of responsibility to comply with tax regulations. Therefore, high ESG performance reduces TA actions. TA is unethical because it neglects the company's social responsibility towards the government in the form of paying taxes.

The sample data used in this study shows that the average ESG score for non-financial companies in the ASEAN-5 countries is 57.41. The figure falls into the second quartile of the ESG performance rating made by LSEG. The average ESG performance in this research sample is relatively good, with a moderate level of transparency in ESG data reporting. This is in line with research findings that state that the better ESG performance, the lower TA activities. The stakeholder theory reveals that ESG performance can influence TA. This theory places the company's responsibility towards stakeholders as the main focus (Freeman, 1984). One level of stakeholder satisfaction is when the company fulfills its social responsibilities well (Mu et al., 2024). This is related to the legitimacy theory, which explains that a company will strive to fulfill its social responsibilities to gain legitimacy from society. This social responsibility can be reflected in the company's ESG performance. In line with stakeholder theory, the implementation of ESG principles can be a catalyst for change in the company's business strategy that can meet the expectations of shareholders. Additionally, the positive reputation gained from good ESG practices can enhance the trust of investors and consumers. Thus, it is concluded that, based on the stakeholder theory, ESG can be one of the factors influencing companies not to engage in TA practices. This is because the high responsibility of companies towards stakeholders and society encourages companies not to engage in practices with short-term gains, such as TA.

The results of this study are in line with Jiang et al. (2024), Hidayat & Zuhroh (2023), Nurlaely & Dewi (2023), and Yoon et al. (2021). This means that companies with good ESG performance will pay more attention to managing their business operations, thereby reducing the potential for TA. In addition, the company's motivation to maintain the trust of investors and the public causes the company to strive for healthy business strategies, one of which is TA. However, the results of this study contradict those of Anggraini & Wahyudi (2022), Pratiwi et al. (2024), and Ramadhan & Wadi (2024). Companies with good ESG performance and high scores generally do not engage in TA (Pratiwi et al., 2024). Additionally, Teja (2024) revealed that ESG has a positive effect on TA. This is because it was found that the potential use of costs incurred by the company to implement ESG as an expense can reduce fiscal profit, resulting in a decrease in tax burden.

The differences in the results obtained may be due to the differing measurements of the ESG. This research is using the ESG scores published by Bloomberg (LSEG Data & Analytics). Thus, there is a possibility of differences in the ESG assessment criteria used. Differences in tax implementation on the research objects used can also be a reason for the variation in research results. The previous research used research objects in Indonesia with a complex progressive taxation system. Meanwhile, in the ASEAN-5 countries, the basis for imposing corporate income tax varies. It is starting from Indonesia, which applies a corporate income tax rate of 22%, Malaysia 33%, Singapore 17%, the Philippines 25%, and Thailand 20%. The tax system in Thailand is simpler compared to Indonesia, but there are still loopholes that can be exploited for TA. Malaysia is known for its competitive tax system with low corporate tax rates. Singapore has one of the simplest and most efficient tax systems in the world. The Philippines' tax system is relatively complex and has many exceptions. Differences in the tax system, as explained above, in the sample country used, can be a factor in the variation of results compared to previous research.

The results of this study indicate that the company's activities related to ESG aspects are activities that demonstrate the company's concern for the environment and society in order to gain legitimacy from stakeholders. This activity is not intended to avoid the company's tax payments. Intensive and periodic tax audits to ensure that the company's ESG activities are aimed at building its corporate image and legitimacy with the public. In addition, there is a need to develop standard disclosures for ESG activities, which would reduce the likelihood of companies avoiding taxes on these activities.

Testing of hypothesis H2 found that CI has a significant negative effect on CETR. CI can increase TA practices. CI is stated to hurt CETR, meaning that a high CI ratio of a company encourages the company to engage in TA. Agency theory underscores the existence of a conflict of interest between the agent and the principal. The management will strive to invest in fixed assets to take advantage of depreciation costs to avoid taxes. Meanwhile, the government desires maximization in tax payments. In line with agency theory, the research findings reveal that CI influences the increase in TA.

The sample data of this research shows that the average CI ratio for non-financial companies in ASEAN countries is 0.561582 or 56.16%. This means that the average sample companies have a relatively high CI ratio, which tends to result in significant investments in fixed assets such as factories, machinery, and equipment. This encourages the research results to prove that most non-financial companies in ASEAN utilize the depreciation expense of their fixed assets as a tax burden reducer that must be paid. Therefore, CI influences the increase in TA by utilizing asset depreciation as one of the loopholes for TA. The company can invest funds in fixed assets that are not economically productive. The fixed asset has an economic life that will gradually depreciate. This depreciation expense can be utilized by the company to reduce taxable income and ultimately decrease the company's tax liability. This explains that companies with high CI have a greater potential for TA.

These results are in line with Darsani & Sukartha (2021), Muhmad et al. (2020), and Rahma et al. (2022). This is because the company utilizes asset depreciation to engage in TA practices. Therefore, it was found that CI has an impact on increasing TA. However, the results of this study are not in line with Aladwey (2022), Apriani & Sunarto (2022), Omesi & Appah (2021), Ulfa et al. (2021), and Zoebar & Miftah (2020). CI does not affect TA because companies with a high CI ratio are unlikely to engage in TA activities to reduce their tax payments (Aladwey, 2022). Companies with a large amount of fixed assets do not solely have them to avoid taxes; rather, they need these fixed assets to carry out their operational activities.

The differences in the results of this study may be caused by several factors, such as differences in the characteristics of the company samples being studied and the observation period. In this study, non-financial companies were used, whereas previous research utilized a group of companies, including manufacturing companies. In addition, the increasingly complex and different business environment can also be a factor causing the differences in research results. Companies often face pressure to remain competitive in the global market. TA is often considered one way to reduce costs and increase profits.

4.3 Sensitivity analysis

4.3.1 Sensitivity Analysis in Tax Avoidance Practices during and after a Pandemic

Sensitivity analysis is conducted to observe changes in the model used during the pandemic and the non-pandemic period. The dummy time period used is 1 for the period when the pandemic occurred and 0 for the period when the pandemic did not occur. The results of the sensitivity analysis can be seen in the table below:

Table 6: Result of Sensitivity Analysis

Variable	Coefficient (Short Terms)	Coefficient (Long Terms)	Sensitivity
C	0,04	3,88	97,00
D(ESG)	0,28	60,09	0,32
D(CI)	0,20	-0,27	-1,35
D(FS)	-6,89	-2,10	0,30
D(ROA)	-1,59	0,01	0,94
D(DER)	0,06	-0,29	0,17
D_COV	-0,04	-0,02	0,50
D(CETR(-1))	-0.98	0,10	0,50
Total	-8,88	-0,17	97,68
Total_Cov	-8,92	-0,19	98,18
Variance	0.04	0.02	0.50

Source: Data processing, 2024

The table illustrates that the results of the sensitivity analysis during the pandemic period show that the CETR value in the short term decreased by 8.88%. This means that in the short term, during the non-pandemic period, TA practices carried out by ASEAN countries influenced by ESG, CI, FS, ROA, and ROE increased by 8.88%. Meanwhile, in the long term, without the pandemic period, the CETR value influenced by independent and control variables increased by 0.17%. The results of the sensitivity analysis of TA during the pandemic period showed that the CETR value in the short term decreased by 8.92%. This means that in the short term, during the pandemic period, TA practices carried out by ASEAN countries influenced by ESG, CI, FS, ROA, and ROE increased by 8.92%. Meanwhile, in the long term, during the pandemic period, the CETR value influenced by independent and control variables increased by 0.19%.

The results of the sensitivity analysis also explain that there are differences in TA activities during the pandemic and without the pandemic. This is seen from the difference in the value of the short-term and long-term coefficients. The level of TA practices in the short term during the pandemic is 0.04% higher compared to the non-pandemic period. Meanwhile, the long-term TA rate during the pandemic is 0.02% higher compared to the non-pandemic period. This means that both in the long term and the short term, the level of TA practices in ASEAN increased during the pandemic period compared to the non-pandemic period. This may be due to the pandemic causing a significant decline in the global economy. Large-scale social restrictions and business closures have disrupted supply chains, reduced consumer demand, and lowered investment. As a result, many countries are experiencing economic recessions. One of the strategies to maintain the stability of the company's profits is to engage in TA so that the tax burden does not significantly reduce profits. The obtained sensitivity values indicate that TA during the pre-pandemic period was 97.68% and during the pandemic period was 98.18%. It is close to 100%, which means that the research model used is very sensitive to extraordinary events that shake the world, such as the pandemic.

After the pandemic period, technological advancements have dominated business activities. All businesses thrive with information technology. Almost all businesses use technology platforms. This digital business requires that tax regulations are also digital-based. The environmental performance aspects of the company's activities have led to new tax regulations, namely carbon emission tax. This digital taxation creates technology-based tax administration, such as e-filing, e-invoices, and mobile tax. With this digital taxation, it is easier to control tax revenue and reduce the possibility of TA.

4.3.2 Sensitivity Analysis in Compliant Tax at ASEAN Countries

The sensitivity analysis of tax compliance in ASEAN countries can be seen through the research model used, and the results are presented in the table below.

Table 7: Sensitivity Analysis of Tax Complaint in ASEAN Countries

Country (a)	Mean CETR (b)	Mean Coefficient (c)	Standard Deviation (d)	Difference (b) – (c)	Meaning of CETR
Indonesia	0.3739	0.2859	0.2839	-0.0880	Tends to be less tax-compliant
Thailand	0.1898	-0.0507	0.2784	-0.2405	Tends to be less tax compliant
Singapore	0.2019	-0.0351	0.1591	-0.2371	Tends to be less tax-compliant
Malaysia	0.2723	0.0318	0.1451	-0.2405	Tends to be less tax-compliant
Philippines	0.2014	0.9157	1.9545	0.7143	Tends to be tax compliant

Source: Data processing, 2025

Tax compliance in ASEAN countries in the long term shows that Indonesia, Thailand, Singapore, and Malaysia are classified as countries with a tendency to engage in TA. Indonesia has the potential to experience an increase in TA activity by 8.8%. Meanwhile, Thailand and Malaysia have experienced a 24.05% increase in TA. Singapore also experienced an increase in TA practices by 23.71%. TA practices in ASEAN countries often occur, as indicated by the negative difference from the average CETR, and the average coefficient value being smaller than the standard deviation value. Indonesia, Thailand, Singapore, and Malaysia are countries with significant economic growth in the ASEAN region. Through the increased economic growth, it can be seen that the economic activities of companies in Indonesia, Thailand, Singapore, and Malaysia, especially non-financial companies, will also increase. Based on the results of the tax compliance sensitivity analysis conducted, the high economic activity of companies in the four countries has led to intense competition in the market. This can be a factor for the company to not comply with tax payments and engage in TA practices. The company will strive to ensure that its profits do not experience a significant decline due to its tax burden and that its earnings remain competitive in the market.

The results of the analysis on the Philippines appear to be different. The Philippines, in the long term, is shown to tend to be more compliant in paying taxes. TA practices are relatively few and rare, as indicated by the positive difference between the average CETR and the average coefficient value being smaller than the standard deviation value. This can occur due to the effective tax management by the Philippine government. With the high level of awareness among the Filipino people in promoting the progress of the country's economy in the long term, tax compliance can be improved. The results of the sensitivity analysis reveal that the model used in this study is most relevant to the tax situation in the Philippines. This is because the constant has a positive value in the panel data regression model of this study, which means that TA will decrease if the independent and control variables are considered constant. This sensitivity result indicates that the Philippines, in the long run, tends to be more tax-compliant and has minimal TA.

Differences in tax regulations among ASEAN countries often lead to tax avoidance between countries. Therefore, it is necessary to reform tax regulations for all ASEAN countries, such as uniform tax rates, uniform rules across countries, and cross-border tax resolution.

5. Conclusion and Remarks

This study discovered that a business does not utilize ESG performance—which includes actions pertaining to environmental, social, and governance concerns that require company expenditures—as a tactic to participate in TA. The corporation is not encouraged to participate in or avoid taxes by the caliber of its ESG performance. ESG is a business framework that emphasizes corporate social responsibility to build a company's reputation. Since sustainability is the primary goal of ESG and has nothing to do with tax laws and tactics, ESG success has no bearing on TA. In order to sustain its operations and turn a profit, the corporation invests in fixed assets. Depreciation costs, which are an accounting concept, lower earnings when fixed assets are invested in. Depreciation expenditure recorded as a profit deduction turns into a tactic for the business to engage in TA. Consequently, TAS are affected by CI.

The analysis results found that there is a significant difference in TA conducted by non-financial companies in ASEAN countries during the pandemic and the non-pandemic period. The level of TA in the short term during the pandemic was 0.04% higher compared to the non-pandemic period. Meanwhile, the long-term TA rate during the pandemic period was 0.02% higher. This indicates that both in the long term and the short term, the level of TA in ASEAN countries increased during the pandemic period compared to the non-pandemic period. Other results also reveal that Indonesia, Thailand, Singapore, and Malaysia are classified as countries with a tendency to be less tax-compliant, resulting in high TA. However, the Philippines is classified as a country with a tendency to be more tax-compliant, resulting in a lower level of TA. Therefore, this research model is more relevant to the Philippines compared to the other ASEAN countries.

The fact that this study was only done from 2019 to 2023 is one of its many drawbacks. Furthermore, only a small percentage of ASEAN companies have ESG scores, which are used to gauge ESG performance, due to the high number of enterprises that have not revealed ESG information. Additionally, during the study period, several organizations lacked comprehensive disclosure data and ESG rankings. As a result, the sample size has been significantly reduced. The utilization of non-financial firms as the study object is another drawback. Because of this, the research's ramifications for financial firms that were not the research object are restricted.

One idea or advice for further study is to use Book Tax Differences (BTD) to measure TA. This is because BTD monitors the difference between accounting profit and taxable profit directly, which aids in identifying possible TA and provides a more accurate and impartial assessment of the efficacy of tax planning. Subsequently, it is suggested that future studies use financial organizations as well as non-financial companies as research objectives. It is also recommended that all businesses from all ASEAN member nations be included in future studies in order to increase the population and sample size.

References

[1] Abdelfattah, T., & Aboud, A. (2020). Tax avoidance, corporate governance, and corporate social responsibility: The case of the Egyptian capital market. Journal of International Accounting, Auditing and Taxation, 38, 100304. https://doi.org/10.1016/ j.intaccaudtax.2020.100304

[2] Aladwey, L. (2022). Tax Avoidance Practices and Firm-Specific Characteristics: Empirical Evidence from the Egyptian Listed Companies. Science Journal for Commercial Research, 1(1), 43–74. https://doi.org/10.21608/ sjsc.2021.104326.1071

[3] Alareeni, B. A., & Hamdan, A. (2020). ESG Impact on Performance of US S&P 500-Listed Firms. Corporate Governance (Bingley), 20(7), 1409–1428. https://doi.org/10.1108/CG-06-2020-0258

[4] Anggraini, P., & Wahyudi, I. (2022). Pengaruh Reputasi Perusahaan, Environmental, Social and Governance dan Kualitas Audit Terhadap Tax Avoidance. Fair Value: Jurnal Ilmiah Akuntansi Dan Keuangan, 5(2), 643–649. https://doi.org/10.32670/fairvalue.v5i2.2120

[5] Angir, P., & Weli, W. (2024). The Influence of Environmental, Social, and Governance (ESG) Disclosure on Firm Value: An Asymmetric Information Perspective in Indonesian Listed Companies. Binus Business Review, 15(1), 29–40. https://doi.org/10.21512/ bbr.v15i1.10460

[6] Apriani, I. S., & Sunarto. (2022). Pengaruh Leverage, Capital Intensity, dan Inventory Intensity Terhadap Tax Avoidance. Jurnal Ilmiah Komputerisasi Akuntansi, 15(2), 326–333. https://doi.org/10.51903/kompak.v15i2.678

[7] Ariff, A., Wan Ismail, W. A., Kamarudin, K. A., & Mohd Suffian, M. T. (2023). Financial distress and tax avoidance: the moderating effect of the COVID-19 pandemic. Asian Journal of Accounting Research, 8(3), 279–292. https://doi.org/10.1108/AJAR-10-2022-0347

[8] Aziz, N. H. A., Latiff, A. R. A., Osman, M. N. H., & Alshdaifat, S. M. (2024). The interaction effect of family ownership , board gender and skills on CSR strategy with ESG performance : evidence from ASEAN-5 countries. Corporate Governance: The International Journal of Business in Society, 1(1), 1–14. https://doi.org/10.1108/CG-02-2024-0113

[9] Basuki, A. T. (2019). Buku Praktikum Eviews Program Studi Magister Manajemen Universitas Muhammadiyah Yogyakarta. Danisa Media.

[10] Bimo, I. D., Prasetyo, C. Y., & Susilandari, C. A. (2019). The effect of internal control on tax avoidance: the case of Indonesia. Journal of Economics and Development, 21(2), 131–143. https://doi.org/10.1108/jed-10-2019-0042

[11] Candraniawati, R. O., & Suhendra. (2023). Pengaruh Pertumbuhan Penjualan, Leverage, Ukuran Perusahaan, Return on Assets dan Capital Intensity Terhadap Tax Avoidance Studi Empiris pada Perusahaan Industri Sub Sektor Property dan Real Estate yang Terdaftar di BEI Tahun 2018–2021. Prosiding : Ekonomi Dan Bisnis, 3(2), 1–15. https://jurnal.ubd.ac.il

[12] Chairani, R., & Zuraida, Z. (2021). Effects of Environmental, Social, and Governance Disclosures on Organizational Visibility: Empirical Study of Non-Financial Companies Listed on The Indonesia Stock Exchange. Indonesian Journal of Sustainability Accounting and Management, 5(2), 354–363. https://doi.org/10.28992/ijsam.v5i2.476

[13] Chouaibi, J., Rossi, M., & Abdessamed, N. (2022). The effect of corporate social responsibility practices on tax avoidance: an empirical study in the French context. Competitiveness Review, 32(3), 326–349. https://doi.org/10.1108/CR-04-2021-0062

[14] Darsani, P. A., & Sukartha, I. M. (2021). The Effect of Institutional Ownership, Profitability, Leverage and Capital Intensity Ratio on Tax Avoidance. American Journal of Humanities and Social Sciences Research, 5(1), 13–22. www.ajhssr.com

[15] Daud, S. N. M., Ghazali, N. S., & Ismail, N. H. M. (2024). ESG, innovation, and economic growth: an empirical evidence. Studies in Economics and Finance, 41(4), 845–870. https://doi.org/10.1108/SEF-11-2023-0692

[16] Dowling, J., & Pfeffer, J. (1975). Organizational Legitimacy: Social Values and Organizational Behavior. Pacific Sociological Review, 18(1), 122–136. https://doi.org/10.2307/1388226

[17] Duhoon, A., & Singh, M. (2023). Corporate tax avoidance: a systematic literature review and future research directions. LBS Journal of Management & Research, 21(2), 197–217. https://doi.org/10.1108/lbsjmr-12-2022-0082

[18] Duong, T. Q., & Huang, Y. C. (2022). The Mediation Effects of Tax Avoidance Between ESG and Cost Of Debt, Firm Value: Evidence from Asean Listed Corporations. Journal of Entrepreneurship, Business and Economics, 10(2S2), 201–232. http://scientificia.com/ index.php/JEBE/article/view/198

[19] E-Vahdati, S., Wan-Hussin, W. N., & Mohd Ariffin, M. S. (2022). Sustainability performance and board compensation in Japan and ASEAN-5 countries. Borsa Istanbul Review, 22, S189–S199. https://doi.org/10.1016/j.bir.2022.12.004

[20] El-Deeb, M. S., Ismail, T. H., & Banna, A. A. El. (2023). Does audit quality moderate the impact of environmental, social and governance disclosure on firm value? Further evidence from Egypt. Journal of Humanities and Applied Social Sciences, 5(4), 293–322. https://doi.org/10.1108/jhass-11-2022-0155
[21] Fajarwati, P. A. N., & Ramadhanti, W. (2021). Pengaruh Informasi Akuntansi (ROA, Leverage, Sales Growth, Capital Intensity dan Company Size) dan Company Age Terhadap Tax Avoidance. Jurnal Investasi, 7(1), 1–15. https://doi.org/10.31943/investasi.v7i1.112
[22] Fajriah, N., & Nursita, M. (2024). Pengaruh Pertumbuhan Penjualan, Intensitas Modal, Umur Perusahaan dan Ukuran Perusahaan terhadap Penghindaran Pajak. AKUA: Jurnal Akuntansi Dan Keuangan, 3(2), 62–72. https://doi.org/10.54259/akua.v3i2.2432
[23] Falbo, T. D., & Firmansyah, A. (2019). Thin Capitalization, Transfer Pricing Aggresiveness, Penghindaran Pajak. Indonesian Journal of Accounting and Governance, 2(1), 1–28. https://doi.org/10.36766/ijag.v2i1.11
[24] Firmansyah, M. Y., & Bahri, S. (2022). Pengaruh Leverage, Capital Intensity, Sales Growth, dan Ukuran Perusahaan Terhadap Tax Avoidance. Jurnal Penelitian Dan Pengembangan Sains Dan Humaniora, 6(3), 430–439. https://doi.org/10.23887/jppsh.v6i3.53401
[25] Freeman, R. E. (1984). Strategic Management: A Stakeholder Approach. Cambridge University Press.
[26] Fuadah, L. L., Mukhtaruddin, M., Andriana, I., & Arisman, A. (2022). The Ownership Structure, and The Environmental, Social, and Governance (ESG) Disclosure, Firm Value and Firm Performance: The Audit Committee as Moderating Variable. Economies, 10(12), 314–329. https://doi.org/10.3390/economies10120314
[27] Ghozali, I. (2021). Aplikasi Analisis Multivariate Dengan Program IBM SPSS26. Badan Penerbit Universitas Diponegoro.
[28] Globalwitness. (2019). Jaringan Luar Negeri Milik Adaro. Globalwitness.org, 1–11. https://www.globalwitness.org/ en/campaigns/oil-gas-and-mining/pengalihan-uang-batu-bara-indonesia-bagian-3-saatnya-adaro-membayar-pajak/.
[29] Gunawan, A. (2022). Peranan Good Corporate Governance Dalam Meminimalisir Praktik Penghindaran Pajak Pada Perusahaan Go Publik. Owner: Riset & Jurnal Akuntansi, 6(1), 379–385. https://doi.org/10.33395/owner.v6i1.618
[30] Hidayat, K., & Zuhroh, D. (2023). The Impact of Environmental, Social and Governance, Sustainable Financial Performance, Ownership Structure, and Composition of Company Directors on Tax Avoidance: Evidence from Indonesia. International Journal of Energy Economics and Policy, 13(6), 311–320. https://doi.org/10.32479/ ijeep.14557
[31] Inawati, W. A., & Rahmawati. (2023). Dampak Environmental, Social, dan Governance (ESG) Terhadap Kinerja Keuangan. Jurnal Akademi Akuntansi, 6(2), 225–241. https://doi.org/ 10.22219/jaa.v6i2.26674
[32] Ismanto, H., & Pebruary, S. (2021). Aplikasi SPSS Dan Eviews Dalam Analisis Data Penelitian. Deepublish.
[33] Jensen, M. C., & Meckling, W. H. (1979). Theory of the Firm: Managerial Behavior, Agency Costs, and Ownership Structure BT - Economics Social Institutions: Insights from the Conferences on Analysis & Ideology (K. Brunner (ed.); 163–231). Springer Netherlands. https://doi.org/10.1007/978-94-009-9257-3_8
[34] Jiang, H., Hu, W., & Jiang, P. (2024). Does ESG Performance Affect Corporate Tax Avoidance? Evidence from China. Finance Research Letters, 61(1), 1–8. https://doi.org/10.1016/ j.frl.2024.105056
[35] Karyani, E., & Perdiansyah, M. R. (2022). ESG and Intellectual Capital Efficiency: Evidence from Asean Emerging Markets. Jurnal Akuntansi Dan Keuangan Indonesia, 19(2), 166–187. https://doi.org/10.21002/jaki.2022.08
[36] Khlifi, S., Chouaibi, Y., & Chouaibi, S. (2024). Do ESG practices mediate the relationship between board characteristics and tax avoidance in G20 countries? Corporate Governance (Bingley), January. https://doi.org/10.1108/CG-11-2023-0498
[37] Kurniawan, T. (2020). Faktor-Faktor yang Mempengaruhi Rasio Beban Pajak Perusahaan: Studi Empiris Sektor Manufaktur di Indonesia. Indonesian Treasury Review: Jurnal Perbendaharaan, Keuangan Negara Dan Kebijakan Publik, 5(4), 273 - 283. https://doi.org/10.33105/itrev.v5i4.178
[38] Laqui, I. (2024). BIR Files Tax Evasion Raps vs Alice Guo. Philstar Global.
[39] Law, S. H. (2018). Applied Panel Data Analysis Short Panels. Universitas Putra Malaysia Pers.
[40] Lukman, C. F., Marcello, N., & Andrian, T. (2024). Bridging ESG Disclosures and Corporate Financial Performance: A Study on Top-Listed Companies of the ASEAN-5 Countries. International Journal of Sustainability Policy and Practice, 20(2), 1–26. https://doi.org/ 10.18848/2325-1166/CGP/v20i02/1-26
[41] Maharani, F. S., & Baroroh, N. (2019). Accounting Analysis Journal The Effects of Leverage, Executive Characters, and Institutional Ownership to Tax Avoidance With Political Connection as Moderation. Accounting Analysis Journal, 8(2), 81–87. https://doi.org/10.15294/aaj.v8i2.30039
[42] Mahdiana, M. Q., & Amin, M. N. (2020). Pengaruh Profitabilitas, Leverage, Ukuran Perusahaan, Dan Sales Growth Terhadap Tax Avoidance. Jurnal Akuntansi Trisakti, 7(1), 127–138. https://doi.org/10.25105/jat.v7i1.6289
[43] Mkadmi, J., E., & Ali, W., B. (2024). How does tax avoidance affect corporate social responsibility and financial ratio in emerging economies? Journal of Economic Criminology, 5, 01-08. https://doi.org/10.1016/j.jeconc.2024.100070
[44] Megeid, N. S. A. (2023). The Quadruple Impact of Integrated ESG and CSR Sustainability Voluntary Disclosure on Financial Reporting Quality, Firm Value, Stock Value, and Tax Avoidance: Evidence from Egypt. Journal of Accounting & Auditing, 12(2), 44–126. https://doi.org/10.21608/naus.2023.310136
[45] Mu, H., Xu, J., & Chen, S. (2024). The impact of corporate social responsibility types on happiness management: a stakeholder theory perspective. Management Decision, 62(2), 591–613. https://doi.org/10.1108/MD-02-2023-0267
[46] Muhmad, S. N., Haat, M. H. C., Taha, R., Rashid, N., & Muhmad, S. N. (2020). The Influence of The Financial Indicators Towards The Changes of The Corporate Tax Avoidance. Journal of Advanced Research in Dynamical and Control Systems, 12(1), 167–171. https://doi.org/10.5373/JARDCS/V12I1/20201026
[47] Mukhtaruddin, Susanto, H., Andara, R. novitri, & Abukosim. (2024). Tax Evoidance Practices in Emerging Capital Market: The Effect of Environment, Social and Governance, Audit Quality and Company Risk. Revista de Gestao Social e Ambiental, 18(7), 1–26. https://doi.org/10.24857/rgsa.v18n7-053
[48] Moeljono, M. (2020). Faktor-Faktor yang Mempengaruhi Penghindaran Pajak. Jurnal Penelitan Ekonomi Dan Bisnis, 5(1), 103–121. https://doi.org/10.33633/jpeb.v5i1.2645
[49] Nani. (2022). Step by Step Analisis Regresi Data Panel Menggunakan Eviews (E. G. Ahmad & A. Nurcahyani (eds.)). Visi Intelegensia.
[50] Nguyen, L. H. T., Nguyen, T. T., Le, T. V. N., & Mai, N. D. (2023). Applying Benford's law to examine earnings management: evidence from emerging ASEAN-5 countries. Journal of Financial Reporting and Accounting. https://doi.org/10.1108/JFRA-10-2022-0390
[51] Novriyanti, I., & Dalam, W. W. W. (2020). Faktor - Faktor yang Mempengaruhi Penghindaran Pajak. Journal of Applied Accounting and Taxation, 5(1), 24–35. https://doi.org/10.53916/ jam.v35i1.127
[52] Nurlaely, H., & Dewi, R. R. (2023). Pengaruh Pengungkapan Corporate Governance, Environmental Social Governance, Environmental Uncertainty dan Corporate Reputation Terhadap Tax Avoidance. Jurnal Ilmiah Edunomika, 08(1), 1–15. https://doi.org/ 10.29040/jie.v8i1.10581
[53] Nyman, R. C. S., Irawan, P. K., & Lingga, I. S. (2022). Pengaruh Firm Size, Return On Equity, dan Current Ratio Terhadap Tax Avoidance pada Perusahaan LQ 45 yang Terdaftar di Bursa Efek Indonesia. Jurnal Akuntansi, 14(1), 172–186. https://doi.org/10.28932/ jam.v14i1.4375
[54] OECD. (2024). Mobilising ASEAN Capital Markets for Sustainable Growth. Mobilising ASEAN Capital Markets for Sustainable Growth. https://doi.org/10.1787/196b5bde-en
[55] Oktavia, O., Siregar, S. V., Wardhani, R., & Rahayu, N. (2019). The role of country tax environment on the relationship between financial derivatives and tax avoidance. Asian Journal of Accounting Research, 4(1), 70–94. https://doi.org/10.1108/AJAR-01-2019-0009
[56] Omesi, I., & Appah, E. (2021). Corporate Governance and Tax Avoidance of Listed Consumer and Industrial Goods Companies In Nigeria. IOSR Journal of Economics and Finance (IOSR-JEF), 12(2), 17–31. https://doi.org/10.9790/5933-1202041731
[57] Pamungkas, E. W., Effendi, A., & Saepudin, D. (2022). Analisis Pengaruh Profitabilitas, Sales Growth, Firm Size, Leverage dan Capital Intensity Terhadap Penghindaran Pajak. Techno-Socio Ekonomika, 15(1), 61–76. https://doi.org/10.32897/techno.2022.15.1.1083

[58] Prabowo, A., & Sahlan, R. (2022). Pengaruh Profitabilitas, Leverage dan Capital Intensity Terhadap Penghindaran Pajak dengan Ukuran Perusahaan sebagai Variabel (Moderating) (Studi Empiris pada Perusahaan Manufaktur yang Terdaftar di BEI Tahun 2015-2019). Media Akuntansi Perpajakan, 6(2), 55–74. https://doi.org/10.52447/map.v6i2.5126

[59] Pratiwi, N. I., Fuadah, L. L., & Yunisvita, Y. (2024). The Influence of Environmental, Social, and Governance (ESG), Political Connections, Gender Diversity, and Capital Intensity on Tax Avoidance. Asian Journal of Management, Entrepreneurship and Social Science, 4(03), 1045–1068. https://doi.org/10.63922/ajmesc.v4i03.972

[60] Putri, S. N., Hariyanto, E., Kusbandiyah, A., & Pandansari, T. (2022). The Effect of Capital Intensity, Leverage, and Institutional Ownership on Tax Avoidance With Profitability As a Moderation Variable. SAR (Soedirman Accounting Review): Journal of Accounting and Business, 07(02), 86–97. https://doi.org/10.32424/1.sar.2022.7.2.7339

[61] Rahma, A. A., Pratiwi, N., Mary, H., & Indriyenni, I. (2022). Pengaruh Capital Intensity, Karakteristik Perusahaan, Dan CSR Disclosure Terhadap Penghindaran Pajak Pada Perusahaan Manufaktur. Owner, 6(1), 677–689. https://doi.org/10.33395/owner.v6i1.637

[62] Rahmadani, I. M., & Abubakar, E. (2020). Pengaruh Ukuran Perusahaan, Profitabilitas, Leverage, dan Manajemen Laba Terhadap Penghindaran Pajak Dimoderasi oleh Political Connection. Jurnal Riset Akuntansi Dan Keuangan, 8(2), 375–392. https://doi.org/10.17509/ jrak.v8i2.22807

[63] Ramadhan, L., & Wadi, I. (2024). The Effect of ESG, Inventory Intensity and Managerial Ownership on Tax Avoidance. Educoretax, 4(8), 955–968. https://doi.org/10.54957/ educoretax.v4i8.1026

[64] Rifai, A., & Atiningsih, S. (2019). Pengaruh Leverage, Profitabilitas, Capital Intensity, Manajemen Laba Terhadap Penghindaran Pajak. Econbank: Journal of Economics and Banking, 1(2), 135–142. https://doi.org/10.35829/ econbank.v1i2.48

[65] Ruan, L., & Liu, H. (2021). Environmental, Social, Governance Activities and Firm Performance: Evidence from China. Sustainability (Switzerland), 13(2), 1–16. https://doi.org/10.3390/ su13020767

[66] Sinaga, C. H., & Suardikha, I. M. S. (2019). Pengaruh Leverage dan Capital Intensity pada Tax Avoidance dengan Proporsi Komisaris Independen sebagai Variabel Pemoderasi. E-Jurnal Akuntansi Universitas Udayana, 27(1), 1–32. https://doi.org/10.24843/eja.2019.v27.i01.p01

[67] Souguir, Z., Lassoued, N., Khanchel, I., & Bouzgarrou, H. (2024). Environmental performance and corporate tax avoidance: Greenwashing policy or eco-responsibility? The moderating role of ownership structure. Journal of Cleaner Production, 434, 140152 https://doi.org/10.1016/j.jclepro.2023.140152

[68] Stawati, V. (2020). Pengaruh Profitabilitas, Leverage, dan Ukuran Perusahaan Terhadap Penghindaran Pajak. Jurnal Akuntansi Dan Bisnis: Jurnal Program Studi Akuntansi, 6(2), 147–157. https://doi.org/10.31289/jab.v6i2.3472

[69] Suciarti, C., Suryani, E., & Kurnia, K. (2020). The Effect of Leverage, Capital Intensity and Deferred Tax Expense on Tax Avoidance. Journal of Accounting Auditing and Business, 3(2), 76–83. https://doi.org/10.24198/ jaab.v3i2.28624

[70] Sugimin, Indarto, & Indudewi, D. (2024). Do Environmental, Social, and Governance (ESG), Leverage, and Financial Performance Affect Tax Avoidance? Jurnal Konsep Bisnis Dan Manajemen, 10(2), 209–222. https://doi.org/10.31289/jkbm.v10i2.11732

[71] Sumunar, K., & Djakman, C. (2020). CEO Overconfidence, ESG Disclosure, and Firm Risk. Jurnal Akuntansi Dan Keuangan Indonesia, 17(1), 1–21. https://doi.org/10.21002/ jaki.2020.01

[72] Tanujaya, K., & Cantikasari, A. (2022). Dampak Pengendalian Internal dan Penghindaran Pajak dengan Moderasi Kepemilikan Keluarga dan Ketidakpastian Lingkungan. Jurnal Akuntansi Trisakti, 9(2), 155–178. https://doi.org/10.25105/jat.v9i2.14762

[73] Teja, A. (2024). Environmental, Social and Governance Disclosure Scores and Tax Avoidance. Jurnal Ilmiah Akuntansi, 9(1), 186–209. https://doi.org/10.23887/jia.v9i1.69573

[74] Ulfa, E. K., Suprapti, E., & Latifah, S. W. (2021). The Effect of CEO Tenure, Capital Intensity, and Firm Size on Tax Avoidance. Jurnal Reviu Akuntansi Dan Keuangan, 11(1), 77–86. https://doi.org/10.22219/jrak.v11i1.16140

[75] VOA Indonesia. (2019). Pengadilan Thailand Denda Philip Morris Karena Hindari Pajak. https://www.voaindonesia.com/a/pengadilan-thailand-denda-philip-morris-karena-hindari-pajak/5186156.html. Diakses pada 18 November 2024

[76] Wang, J., Fan, W., & Wang, Z. (2024). Tax Incentives and Earnings Management: A Study Based on Accelerated Depreciation Policy in China. Economic Analysis and Policy, 81(8), 281–296. https://doi.org/10.1016/j.eap.2023.11.036

[77] Widadi, F. A., Subroto, B., & Rahman, A. F. (2022). Tax Avoidance Mediated by Constitutional Ownership as Moderating Variables. Etikonomi, 21(2), 411–430. https://doi.org/10.15408/ etk.v21i2.25799

[78] Yoon, B. H., Lee, J. H., & Cho, J. H. (2021). The Effect of ESG Performance on Tax Avoidance—Evidence from Korea. Sustainability, 13(12), 1–16. https://doi.org/10.3390/su13126729

[79] Yudhanto, W., & Simamora, A. J. (2023). Environmental, Social, and Governance Risk on Firm Performance: The Mediating Role of Firm Risk. Binus Business Review, 14(2), 223–234. https://doi.org/10.21512/bbr.v14i2.8935

[80] Zhang, C., Zhang, S., Lu, P., & Yan, J. (2021). ESG Ratings and Corporate Tax Avoidance-An Analysis based on Chinese A-share Listed Companies. Scientific Journal of Economics and Management Research, 3(12), 16–27. https://doi.org/10.1177/21582440251341282

[81] Zoebar, M. K. Y., & Miftah, D. (2020). Pengaruh Corporate Social Responsibility, Capital Intensity dan Kualitas Audit Terhadap Penghindaran Pajak. Jurnal Magister Akuntansi Trisakti, 7(1), 25–40. https://doi.org/10.25105/jmat.v7i1.6315