

ABSTRACT

In the implementation of tax collection in Indonesia, there are differences of interest between the Government and taxpayers. The difference in interests makes taxpayers, especially corporate taxpayers, save on tax costs incurred. One way that companies can do to improve their performance is to minimize their tax burden by not violating the provisions and rules.

The purpose of this study is to determine the effect of firm size, leverage, and profitability on tax management with indicators of effective tax rates on health sector companies listed on the Indonesia Stock Exchange in 2017-2020 either simultaneously or partially.

The dependent variable in this study is tax management with indicators of effective tax rates, while the independent variables are firm size, leverage, and profitability. The research method used is a quantitative method. The population in this study are health sector companies listed on the Indonesia Stock Exchange in 2017-2020. The sampling technique used was purposive sampling and obtained 11 companies with a research period of four years, so that 44 research samples were obtained. The data analysis technique used is descriptive statistical analysis and multiple linear regression analysis using Statistical Product and Service Solutions (SPSS) version 26 software.

The results of this study indicate that firm size, leverage and profitability simultaneously affect tax management with indicators of effective tax rates. Partially firm size has no effect on tax management with indicators of effective tax rates. While leverage and profitability have a negative and significant effect on tax management with indicators of effective tax rates.

Suggestions for companies, this research is expected to provide an overview and evaluation to implement a good management system so that tax management practices become more effective. Suggestions for investors, this research is expected to provide input and consideration for investors in making decisions to see the effectiveness of corporate tax management.

Keywords: *Firm size, leverage, profitability, tax management*