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COULD EARNING MANAGEMENT MODERATE THE EFFECT OF CSR, GCG AND LEVERAGE TOWARDS TAX AGGRESIVENESS?

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Abstract: Tax is the biggest income in Indonesia, however taxpayers assume that tax is an additional expense for corporate so that taxpayers carry out tax aggressive behavior in order to reduce their tax expense. Purpose of this research is to test empirically the effect of CSR disclosure, leverage, and GCG disclosure towards tax aggressiveness moderated by earning management in mining industry registered in the Indonesian stock exchange for the period 2014-2019. Method of sample selection used purposive sampling and obtained 14 corporates with observations total of 84. Panel data regression analysis applied in this study used the help of Eviews version 12. Based on the results of hypothesis test, it is stated that the corporate social responsibility disclosure, leverage and good corporate governance disclosure have no effect on tax aggressiveness. Likewise, after being moderated by earning management, the results show that earning management is not able to moderate the effect of disclosure of corporate social responsibility towards tax aggressiveness, while earning management is able to moderate the effect of leverage and good corporate governance disclosure towards tax aggressiveness.

Keywords: Tax Aggressiveness, CSR, Leverage, GCG, Earning Management.

INTRODUCTION

Tax is recognized as the biggest income of Indonesia alligns with law which states that tax is considered as mandatory contribution collected from the people by the state, owed from entities, as well as individuals, coercive, however compensates indirect reward (Mardiasmo, 2019). Community demands corporates to involve in tax payment in order to improve their welfare to contribute in creating income equalization, however, corporates assume tax aggressive behavior is able to provide exessive benefits for them (Yuwono and Fuad, 2019). Report of Directorate General of Taxes (2020) states that from 2016-2020 tax contributes up to 80% of state revenue. (Apriyani and Harnovinsah, 2019) stated that the bigger corporates pay their tax, higher income for the state. Nevertheless, the state frequently fails to accomplish tax revenue target due to numerous corporates skip tax payments.

Detik.com (Sugianto, 2019) on July 5, 2019 Adaro Energy, has carried out tax avoidance and suspected has done numerous way to reduce the nominal of hundreds of million USD tax payment than the nominal they supposed to pay in Indonesia. katadata.co.id (Yuliawati, 2019) on February 11, 2019, economic value provided by mining industry is definitely fantastic, however this facts is inversely proportional to the tax contribution gained by the state. Contribution of mineral and coal in 2016 is about 3,9% compared to 10,4 in national tax ratio in the same year according to Ministry of Finance. Moreover numerous tax payers do not report their annual tax return despite having business license in mining. Then as reported by online media Koran.Tempo.co (Hartawan, 2019) on December 6, 2019, Tax Treaty Indonesia-Netherlands frequently used for tax avoidance, potentially results decreased nominal of tax revenue in Indonesia up to 390 billion, hence ambiguous policies that possibly enables tax payers to carry out aggressive behavior supposed to be reconsidered. Moreover, the recent phenomena as reported by (DDTCNews, 2019) on December 2, 2019, 6 big American technology corporates avoided tax aggressively in fantastic amount up to 1.413 trillion Rupiah over one past decade.

Aggressive tax behavior is supposedly stimulated by the ignorance of taxpayers to fullfil their social responsibility. Tax as contribution of the corporate to the state and citizens is frequently considered as contribution of corporate social responsibility (CSR). CSR is an idea which at first aimed to corporate value only, but then refers to triple bottom line, that related to Profit, Planet and People (Nurbaiti and Bambang, 2017). Financial policy that can be used to support taxpayer aggressive behavior is leverage, which is used as ratio in measuring liability and equity in corporate financial report. Business entity uses liabilities as its operational funding, which later on will be claimed as operating expenses, so it is aimed to make the operating expenses increased (Setyawan, 2019). If the interest rate is high, the expense that will cut down the tax is high as well (Apriyani and Harnovinsah, 2019). Ambiguous policies related to tax possibly offer taxpayers to carry out tax with various alternatives, such as by affecting financial policy in Good Corporate Governance (GCG) (Setyawan, 2019). Good corporate governance, as believed could lowering aggressive actions by the businessmen.

A number of researchers has conducted a research related to the impact of CSR, GCG, and leverage towards tax aggressiveness. (Kurniawati, 2019) stated that there is significant negative effect of CSR and positive effect between leverage and tax aggressiveness. Although, (Setyoningrum and Zulaikha, 2019) reported there was no significant effect of CSR and leverage. Meanwhile (Octaviani and Sofie, 2019) positive effect of GCG with independent commissioner measurement proxy and insignificance of institutional ownership proxy. Whereas negative effect of GCG with independent commissioner proxy, yet positive effect with institutional ownership proxy (Ariawan and Setiawan, 2017). Numerous research used GCG, however the proxy are varied and the results are diverse as well. Many research gap of the previous researches motivated the author to do research same variable.

LITERATURE REVIEW

Positive Accounting Theory

This theory was firstly introduced by Watt and Zimmerman in 1986, one of them is explaining about behavioral management where there would be particular behavior by management in every business entities in the process of making corporate financial reports (Andhari and Sukartha, 2017). This theory is considered fundamentals in management behavior on corporate or organization because it assumes that humans basically take actions in frequent times to maximizing profit for themselves (Kamayanti, 2019).

Agency Theory

Agency theory (Fauziah, 2017) explains that relationship between investors and managers considered as relationship between agents and principals where principals hire agents so they can give their services with all of the delegated authority and responsibility in decision making. The effectiveness of this relationship can work well as long as the decision making by the managements profitable to the investors. Conflict of interest that happen between managers, owners and stakeholders will reinforce the problem in agency (Fauziah, 2017).

Tax Aggressiveness

Importance of tax for the country development and prosperity is not seen any matters by most of the taxpayers so there are numerous strategies in industry executed by the management to be able to manage the tax or to cut down the nominal of tax that supposed to be paid. (Golot and Jaya, 2023) Aggressive tax planning constitutes the tendency of the tax payers who are willing to exploit the loophole of law as maximal as possible so they can pay less. In the other hand, according to (Narimawati, 2020) planning activities which involve accounting transaction in the way to minimalize tax expenses of the entities are considered tax aggressiveness.

Corporate Social Responsibility

One of the CSR goals is to prosper the stakeholders, as part of social responsibility of the corporate (Kartini, 2020). Nowadays, business entities are responsible not only to focus on how to maximizing profit, but also to take care of the social environment and society around the corporate operational. Encouragement factors of the corporate in applying CSR derive from internal factor such as owner behavior or management that have awareness of the importance of the CSR, while external factor is government regulation and obligation to analyze environmental impacts (Rengganis and Putri, 2018).

Leverage

(Putra and Suryani, 2018), Leverage concept explained as the use of cash or assets that lead to burden in the form of fixed cost such as depreciation expense or interest expense Leverage theoretically related to the positive accounting theory which is the assumption of the liabilities. This because leverage constitutes debt ratio that can encourage the management to do any efforts to reduce profits (Octaviani and Sofie, 2019). Debt and interest of the corporate are usually proportional, this means the more debts, the more interests (Ariawan and Setiawan, 2017).

Good Corporate Governance

Good Corporate Governance begin with the separation of principle or the owner and the agent or the manager in a corporate. Mechanism of accountability assessment and transparency to ensure the increasing of corporate values. (Tricker, 2019) revealed that corporate governance can be defined as a series of process, custom, policies, law and institution which affecting the way of management. Sets of them as well as rules included in GCG are expected to boost the intellectual performance of the capital so it can result beneficial economic value for corporate survival.

Earning Management

The results of the final report made by a business entity during the course of the financial year on recording of its business activities and transactions are called financial statements. This is as a form of corporate management responsibility to stakeholders to report the corporate's performance during a certain period (Sri Wahyuni Nur, 2020). (Diri, 2017) Earning management means management disclose the financial report deliberately to intervene the content of financial report aimed to gain profits or only to facilitate the corporate operational.

Conceptual Framework

CSR Disclosure in the company's annual report aims to show the public that in addition to seeking profit, the company is also carrying out its obligations to the environment. Aggressiveness has an inversely proportional effect on CSR because it is characterized by company support for taxes. Previous research stated that CSR has a negative effect on tax aggressiveness (Arifin and Rahmiati, 2020). The implication is that the more companies disclose their social responsibilities to the economy and the surrounding environment, the lower the tax aggressive behavior will be because of tax obligations as a form of social responsibility.

Leverage is debt owned to finance investment, while tax aggressiveness is an act with a view to saving taxes. In theory, leverage is connected with the positive accounting theory hypothesis, namely the debt hypothesis because in this hypothesis it is considered that with high debt, companies tend to look for accounting method loopholes to increase profits (Octaviani and Sofie, 2019). Debt and interest expense in the company will always be directly proportional, i.e. if the debt is high, the interest that will be burdened by the company will also be of high value (Ariawan and Setiawan, 2017). This behavior is considered tax aggressive behavior because a high interest expense can reduce profits so that the tax will be reduced. (Alfina, Nurlaela and Wijayanti, 2018) and (Kurniawati, 2019) conducted research on the leverage variable which stated that leverage had a significant positive effect on tax avoidance or tax aggressive behavior.

The corporate governance structure affects the way a company fulfills its tax obligations, but tax planning depends on the dynamics of corporate governance in the company concerned (Christiawan, 2016). In agency theory, it is stated that there are interests that are upheld by agents in carrying out their duties, good governance is one of the achievements that can be achieved by managers in terms of the credibility of their performance from internal and external sides. However, there is also a manager's interest in tax aggressive behavior in accordance with the company's target which continues to try to minimize taxes, either by complying with tax provisions or violating tax regulations. (Apriyani and Harnovinsah, 2019) in their research also reveals that GCG has an effect on Tax Aggressiveness. The implication is that the application of governance principles that are managed well within the internal company is able to prevent agents from practicing tax avoidance, able to reduce or even eliminate corporate tax evasion because good governance is based on professional ethics to determine the direction of the company's performance.

(Scott, 2014) Earnings management is a method related to business, finance, and accounting that uses loopholes in accounting policies to report false returns for personal or corporate interests in the form of management behavior. Several kinds of patterns in earnings management can affect tax aggressiveness. The purpose of the study was to determine whether the influence of the independent variable on the dependent variable was strengthened or weakened by the moderating variable. The variables used are tax aggressiveness, corporate social responsibility, leverage, corporate governance and earnings management. From the relationship between these variables, the theoretical framework can be described as follows:

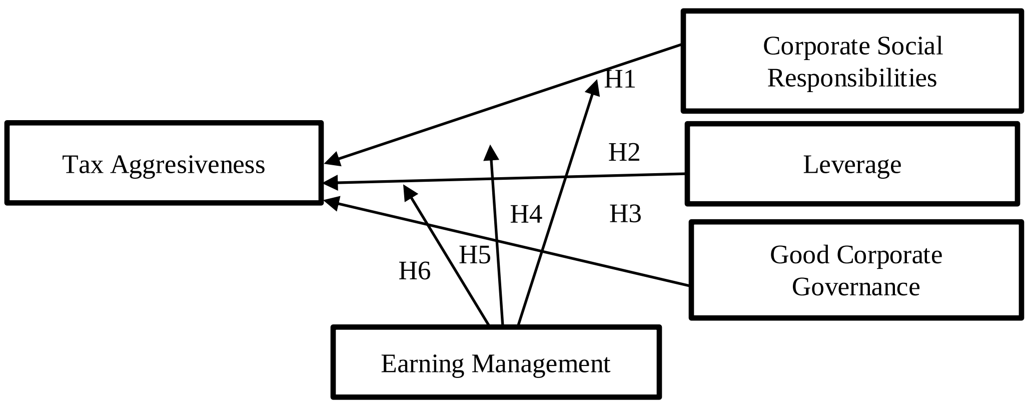

Figure 1. Conceptual Frameworks

RESEARCH METHODS

Quantitative study is used in this study to produce several findings obtained through statistical calculations with quantitative approach measurements that pay attention to phenomena on certain characteristics in the surrounding life.

Operational Definition of Variables

Table 1. Variable Operational Table

Variable	Dimension	Indicator	Scale
Corporate Social Responsibility (X1)	91 Indicator in the 3 point of GRI disclosure : 1. Economic 2. Environment 3. Social	$CSRI = \frac{\sum Xyi}{Ni}$ Description : CSRI = CSR Index ∑Xyi = Total of Disclosure Ni = Total item (91 Indicator)	Ratio
Leverage (X2)	Leverage is divided into 3 measurements, namely : Operating, Financial, & Total Leverage	$DER = \frac{Total\ Debt}{Total\ Equity}$ Description :	Ratio

		DER = Debt to Equity Ratio	
Good Corporate Governance (X3)	16 Points in KNKG Disclosures	GCG = ∑cg/M Description : ∑cg = Total of Disclosure M = Total items (103 Indicator)	Ratio
Earning Management (Z)	The Pattern of earning management is divided into 2, namely : 1. Accrued Earnings Management 2. Real Earnings Management	Accrual Discretionary (Jones, 1991)	Ratio
Tax Aggressiveness (Y)	Dimension of tax aggressiveness is divided into 3, namely: 1. Tax Planning 2. Tax Avoidance 3. Tax Evasion	$ETR = \frac{\text{Income Tax Expense}}{\text{EBT}}$ Description : ETR = Effective Tax Rate EBT = Earning before Tax	Ratio

Source : Processed Data

Research Population and Sample

The data studied are secondary data, which is the data generated and processed by other parties and the information derives from existing sources (Sekaran, 2019). The general population in this study are corporates running in the mining industry and public corporates registered in the IDX between 2014 and 2019, with a total of 52 corporates. Non-random sampling technique is used to select the existing samples so not all members of the population can be selected as samples, but certain standards are set for selecting the accurate sample in a member of the population. This study sets the following standards for the samples:

Table 2. Research Sample Selection Process

Description	Number of Corporate
Mining sector corporates registered in the IDX	52
IDX unregistered corporates in 2014 to 2019	(6)
IDX delisting corporates during 2014 to 2019	(2)
Corporates in a state of loss in the period between 2014 to 2019	(30)
Total of samples	14

Source: processed data

The total of samples is 14 corporates of a total of 52 business entities as members of the population within 6 years observation period so that the total of final observation is 84 data to be processed.

Analysis Techniques

The analysis of the combined data between time series and cross section is in the form of panel data so panel data regression analysis is used in this research. Statistical processing is executed by statistical method calculation assisted by the EVIEWS12 program. The test conducted by using several statistical tests including descriptive statistical tests, then the regression analysis conducted by applying several steps, consisting of making a regression model (common effect model, fix effect model & random effect model), selecting the regression model (chow test, haustman test and lagrange multiplier test), classical assumption test used is three (multicollinearity, heteroscedasticity, autocorrelation) and the hypothesis test includes the R2 coefficient of determination test, model significance test, independent variable significance test and moderating regression analysis.

FINDINGS AND DISCUSSION

Data Descriptive Statistics

The results of the descriptive statistics as the output of Eviews12 are as follows:

Table 3. Descriptive Statistics

	TAXAGG	CSR	LEV	GCG	EM
Mean	0.353846	0.193873	0.874685	0.665399	-0.002021
Median	0.301050	0.164800	0.683250	0.660200	-0.110900
Max	0.986300	0.362600	3.171600	0.902900	3.594100
Min	0.058300	0.054900	0.169400	0.281600	-2.860100
Standar Dev	0.160383	0.081946	0.615167	0.144828	1.286868
Skewness	1.985856	0.336428	1.504985	-0.579012	0.836945
Kurtosis	7.215279	2.021237	5.141565	3.284115	5.692083
JB	117.4008	4.937491	47.76176	4.976088	35.17227
Prob	0.00000	0.084691	0.000000	0.083072	0.000000
Sum	29.72310	16.28530	73.47350	55.89350	-0.169800
Sum sq.Dev	2.134976	0.557351	31.40971	1.740939	137.4505
Obs	84	84	84	84	84

Source: Output Eviews 12,0

Panel Data Regression Analysis

Panel Data Regression Model

3 regression models are consisting of CEM, FEM and REM with the following results:

Table 4. Panel Data Regression Model

Common Effect Model

Dependent Variable: TAXAGG
Method: Panel Least Squares
Date: 02/10/22 Time: 18:04
Sample: 2014 2019
Periods included: 6
Cross-sections included: 14
Total panel (balanced) observations: 84

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.412364	0.115589	3.567511	0.0006
CSR	-0.063022	0.327349	-0.192523	0.8478
LEV	0.002682	0.032055	0.083658	0.9335
GCG	-0.066432	0.204740	-0.324468	0.7465
EM	-0.111738	0.091939	-1.215355	0.2280
CSR_EM	-0.713485	0.404455	-1.764065	0.0817
LEV_EM	-0.056813	0.060293	-0.942275	0.3490
GCG_EM	0.467413	0.223105	2.095037	0.0395

R-squared	0.109934	Mean dependent var	0.353851
Adjusted R-squared	0.027954	S.D. dependent var	0.160379
S.E. of regression	0.158121	Akaike info criterion	-0.760517
Sum squared resid	1.900175	Schwarz criterion	-0.529011
Log likelihood	39.94173	Hannan-Quinn criter.	-0.667454
F-statistic	1.340983	Durbin-Watson stat	0.769697
Prob(F-statistic)	0.243009		

Fixed Effect Model

[illegible]
ethod: Panel Least Squares
ate: 02/10/22 Time: 18:04
ample: 2014 2019
eriods included: 6
ross-sections included: 14
tal panel (balanced) observations : 84

Variable	Coefficient	Std. Error	t-Statistic	Prob
C	0.556093	0.119243	4.663526	0.000
CSR	-0.177113	0.476248	-0.371893	0.711
LEV	-0.050180	0.033389	-1.502892	0.137
GCG	-0.277738	0.215885	-1.286511	0.20
EM	1.059625	0.362967	2.919340	0.004
CSR_EM	-1.232240	0.437289	-2.817908	0.00
LEV_EM	-0.284754	0.067720	-4.204853	0.000
GCG_EM	-0.748993	0.252649	-2.964553	0.004

Effects Specification

ross-section fixed (dummy variables)

-squared	0.697774	Mean dependent var	0.3538
djusted R-squared	0.601829	S.D. dependent var	0.1603
E. of regression	0.101200	Akaike info criterion	-1.53111
um squared resid	0.645213	Schwarz criterion	-0.92341
og likelihood	85.30683	Hannan-Quinn criter.	-1.2868
statistic	7.272667	Durbin-Watson stat	1.7562
ob(F-statistic)	0.000000		

Random Effect Model

Dependent Variable: TAXAGG
Method: Panel EGLS (Cross-section random effects)
Date: 02/10/22 Time: 18:05
Sample: 2014 2019
Periods included: 6
Cross-sections included: 14
Total panel (balanced) observations: 84
Swamy and Arora estimator of component variances

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.585111	0.112444	5.203564	0.0000
CSR	-0.552859	0.375832	-1.471028	0.1454
LEV	-0.026920	0.030282	-0.888956	0.3768
GCG	-0.187000	0.197490	-0.946887	0.3467
EM	0.358531	0.130383	2.749841	0.0074
CSR_EM	-0.590524	0.369015	-1.600273	0.1137
LEV_EM	-0.144806	0.055644	-2.602359	0.0111
GCG_EM	-0.187639	0.209497	-0.895667	0.3733

Effects Specification

	S.D.	Rho
Cross-section random	0.124433	0.6019
Idiosyncratic random	0.101200	0.3981

Weighted Statistics

R-squared	0.173577	Mean dependent var	0.111502
Adjusted R-squared	0.097459	S.D. dependent var	0.116649
S.E. of regression	0.110819	Sum squared resid	0.933344
F-statistic	2.280371	Durbin-Watson stat	1.283575
Prob(F-statistic)	0.036596		

Unweighted Statistics

R-squared	-0.239038	Mean dependent var	0.353851
Sum squared resid	2.645183	Durbin-Watson stat	0.452905

Source : Output Eviews 12,0

Selection of Panel Data Regression Model

Table 5. Selection of Panel Data Regression Model

Chow Test	Haustman Test
Redundant Fixed Effects Tests Equation: Untitled Test cross-section fixed effects Effects Test / Statistic / d.f. / Prob. Cross-section F / 9.425949 / (13,63) / 0.0000 Cross-section Chi-square / 90.730199 / 13 / 0.0000	Correlated Random Effects - Hausman Test Equation: Untitled Test cross-section random effects Test Summary / Chi-Sq. Statistic / Chi-Sq. d.f. / Prob. Cross-section random / 22.133738 / 7 / 0.0024
The value of the cross-section Chi-square Probability is 0.0000 < 0.05, so the model selected is fixed effect.	The cross-section Chi-square probability is 0.0024 < 0.05, therefore the selected model is fixed effect.

Source : Output Eviews 12,0

Based on the results of the chow test and the haustman test, can be understood that both tests conclude the selected fixed effect model, hence the lagrange multiplier test is not applied.

Classic assumption test

Multicollinearity Test

This test is conducted to determine there is whether or not a correlation among the independent variables in the regression equation.

Table 6. Multicollinearity Test Results

	CSR	LEV	GCG
CSR	1	-0.2939959613052705	0.7508185667483014
LEV	-0.2939959613052705	1	-0.3840279269401798
GCG	0.7508185667483014	-0.3840279269401798	1

Source : Output Eviews 12,0

Based on table 6, it is found that the coefficient value between one variable and another is smaller than 0.8 so the results conclude that the data does not have multicollinearity problems.

Heteroscedasticity Test

CEM and FEM regression models are suspected of having heteroscedasticity problems considering background of the assumption is Ordinary Least Square (OLS), where this does not occur in the Random Effect model which based on the assumption of Generalized Least Square. Thus, if the selected model is the two models, then to avoid the heteroscedasticity problem is allowed to give weight to the selected model as shown in the following table:

Table 7. Wighted Fixed Effect Model

Dependent variable: [illegible]
Method: Panel EGLS (Cross-section weights)
Date: 02/10/22 Time: 18:18
Sample: 2014 2019
Periods included: 6
Cross-sections included: 14
Total panel (balanced) observations: 84
Linear estimation after one-step weighting matrix

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.534011	0.068843	7.756968	0.0000
CSR	-0.240364	0.268037	-0.896757	0.373
LEV	-0.034115	0.024036	-1.419360	0.160
GCG	-0.197337	0.122172	-1.615237	0.111
EM	0.549105	0.197037	2.786814	0.007
CSR_EM	-0.482835	0.285160	-1.693205	0.095
LEV_EM	-0.108167	0.049168	-2.199939	0.031
GCG_EM	-0.412641	0.129872	-3.177277	0.002

Effects Specification

Cross-section fixed (dummy variables)

Weighted Statistics

R-squared	0.786693	Mean dependent var	0.50927
Adjusted R-squared	0.718976	S.D. dependent var	0.27533
S.E. of regression	0.089483	Sum squared resid	0.50444
F-statistic	11.61744	Durbin-Watson stat	1.76910
Prob(F-statistic)	0.000000		

Unweighted Statistics

R-squared	0.653978	Mean dependent var	0.35385
Sum squared resid	0.738712	Durbin-Watson stat	1.56131

Source : Output Eviews 12,0

In order to analyze whether the selected Fixed Effect model has heteroscedasticity problems or not, it is necessary to compare the unweighted Fixed Effect model in table 4 and the weighted Fixed Effect model in table 7 by comparing the 3 parameters as shown in the following:

Table 8. Comparison of Unweighted and Weighted Fixed Effect Models

Parameter	Unweighted Fixed Effect Model	Weighted Fixed Effect Model
Statistic t probability	4 variable < 0,05	3 variable < 0,05
R-Squared	0,601829	0,718976
F-Statistic Probability	0,0000	0,00000

Source : Output Eviews 12,0

The significant difference between the two models is in the score of R-Squared, where the weighted fixed effect model is better than the unweighted, therefore the final model selected is the weighted Fixed Effect model as shown in table 7. Thus the next analysis will be based on the weighted Fixed Effect model.

Autocorrelation Test

This test is executed to identify there is whether or not a correlation between time series and cross-section data, however because the characteristics of panel data are naturally characterized by both, the issue of correlation in such data is ignored (Ekananda, 2016).

Hypothesis Test

Based on the selected model, which is weighted Fixed Effect as shown in table 7.

Coefficient of Determination (Adjusted R Square)

Adjusted R-square value is 0.718976, that means that the independent variables, which are CSR, Leverage and GCG, are able to explain the dependent variable, that is 71.89% of tax aggressiveness. Considering that the score is more than 50%, then the affect of CSR, Leverage and

GCG on Tax Aggressiveness is strong.

F Statistical Test (Model Feasibility Test)

F value is 11.6174 with a prob of 0.000 <0.05, concluded that CSR, Leverage and GCG simultaneously affect tax aggressiveness so the model declared is feasible or the independent variable is able to explain the dependent variable.

T-Statistical Test (Significant Test)

This test is partially used with the aim to understand whether one independent variable has an affect on the dependent variable or not.

Table 9. Result of Hypothesis

Description	t-Statistic	Prob	Result
Hypothesis 1 (H1)	-0.896757	-0.3733	Rejected
Hypothesis 2 (H2)	-1.419360	0.1607	Rejected
Hypothesis 3 (H3)	-1.615237	0.1113	Rejected
Hypothesis 4 (H4)	-1.693205	0.0954	Rejected
Hypothesis 5 (H5)	-2.199939	0.0315	Accepted
Hypothesis 6 (H6)	-3.177277	0.0023	Accepted

Source : Processed Data

Regression Analysis

Based on table 7 the regression equation formed is as follows: Tax Aggresiveness (Y) = 0,534011 - 0,240364 (CSR) - 0,034115 (LEV) - 0,197337 (GCG) + 0.549105 (EM) - 0,482835 (EM*CSR) - 0,108167 (EM*LEV) - 0,412641 (EM*GCG)

In the above equation, the effect of the independent variable towards the dependent variable is shown as follows:

a) Constanta (α) of 0,534011
   This means that if the other independent variables are fixed, the value of the dependent variable is 0.534011.
b) CSR variable coefficient is - 0,240364
   This means that if the other independent variables are fixed and CSR is increased by 1, the value of tax aggressiveness will decrease by 0,240364.
c) Leverage variable coefficient is - 0,034115

This means that if the other independent variables remain constant and Leverage increases by 1 in units, the value of tax aggressiveness will decrease by 0,034115.

d) GCG variable coefficient is - 0,197337
This means that if the other independent variables are fixed and GCG increases by 1 in units, the value of tax aggressiveness will decrease by 0,197337.
e) EM variable coefficient is 0.549105
This means that if the other independent variables are fixed and Earning Management increases by 1 in units, the value of tax aggressiveness will increase by 0.549105.
f) The coefficient of CSR variable moderated by earning management is - 0,482835
This means that if the other independent variables are fixed and the CSR moderated by earning management increases by 1 in units, the value of tax aggressiveness will decrease by 0,482835.
g) The coefficient of Leverage variable moderated by earning management is - 0,108167
This means that if the other independent variables remain and Leverage moderated by earning management increases by 1 in units, the value of tax aggressiveness will decrease by 0,108167.
h) The coefficient of GCG variable moderated by earning management is - 0,412641
This means that if the other independent variables are fixed and GCG moderated by earning management increases by 1 in units, the value of tax aggressiveness will decrease by 0,412641.

The Effect of Corporate Social Responsibility Disclosure towards Tax Aggressiveness

There is no significant effect between CSR Disclosure towards tax aggressiveness. CSR disclosure, which is often called social disclosure, is a tool to communicate the economic, social and environmental impacts of industrial activities within the organization to the community and other interested people. Based on the results of descriptive statistics in this study, it is stated that CSR disclosure in the sample of mining companies used is still very low, namely the highest disclosure value is only 36% of the 91 indicator items, while based on the ETR value in this study, 50% ETR value is indicated to be tax aggressive while 50% again indicated not to engage in tax aggressive behavior. So under these conditions it is considered reasonable if low CSR disclosure does not affect the high tax aggressive behavior.

The Effect of Leverage towards Tax Aggressiveness

There is no significant effect between leverage towards tax aggressiveness. Leverage is an effort to maximize business profits by using debt to finance or buy corporate assets. Based on the processed data, it can be understood that only about 28% of the observations have a DER value of more than 1 so there are not many sample corporates choose to finance through debt because large debts can reduce stakeholder and public trust to the corporate. The results of the study are not alligned with the opinion of previous researchers who stated that the level of leverage or the level of debt owned by the corporate will be inversely proportional to the value of the corporate's ETR, when corporates tend to rely on debt financing, the effective tax rate will be lower. The results of this study are not alligned as well with positive accounting theory on the political cost hypothesis which tends to delay income, bias the perception of corporate performance by people outside the organization or corporate and even reduce tax.

The Effect of Good Corporate Governance Disclosure towards Tax Aggressiveness

GCG Disclosure has no significant effect on tax aggressiveness. GCG disclosure is a tool to communicate the internal corporate governance process to the public and other people with interest. However, this study shows that there is no effect of GCG disclosure on corporate tax aggressive behavior. Disclosure indicators used in this study derived from the National Committee for Governance Policy (KNKG) with 16 disclosure points which are re-described into a total of 103 disclosure items. Based on the processed data, can be understood that 90% of the total observations have made disclosures on their good corporate governance, which means that most corporates strictly obey the laws and regulations that underlie the principles of good governance, however almost all of the corporates in the sample have not disclosed about statements of the implementation of their corporate governance audit comprehensively, thoroughly in accordance with the principles of good governance in the financial statements. This shows that the implementation of corporate governance disclosed in the corporate's annual report is still limited to documentation for the corporate’s benefit.

The Effect of Corporate Social Responsibility Disclosure Towards Tax Aggressiveness Moderated by Earning Management

Earning Management is not able to moderate the effect of CSR towards tax aggressiveness. A good image for the corporate in the eyes of stakeholders can be obtained through good CSR disclosure without earning management (Sunarsih, 2017). Research (atun Kariimah and Septiowati, 2019) states that earning management has no significant effect on aggressiveness.

The Effect of Leverage towards Tax Aggressiveness Moderated by Earning Management

Earning Management moderates the effect of Leverage towards tax aggressiveness. Earnings management is considered to strengthen the influence of Leverage on tax aggressiveness because when the company does a lot of financing through debt, the costs to be borne by the company will be even greater which causes an increase in aggressive tax behavior, this is known because high interest costs will reduce corporate taxes. With the existence of earnings management with a pattern of income minimization, it can have an effect on strengthening the company's behavior in carrying out aggressive behavior.

The Effect of Disclosure of Good Corporate Governance towards Tax Aggressiveness Moderated by Earning Management

Earning management moderates the effect of GCG Disclosure towards tax aggressiveness. Earning management is considerably strengthening the effect of GCG disclosure towards tax aggressiveness. This because when a corporate discloses good governance from all sides of its internal corporate governance, the corporate expects that there will be mutual reaction from investors and the public in the form of full trust in order to obtain investment from various investors, by having earning management behavior where the corporate is able to generate as much profit as possible will be able to add corporate's legitimacy value, so it will reduce management's interest in tax aggressiveness. Although not all management is realistic about their tax behavior, with all their efforts to convince investors to stay investing in the corporate, tax aggressive behavior can be considered a big mistake that management will avoid for the sake of its business continuity.

CONCLUSION AND SUGGESTION

Based on the results of data analysis, the following conclusions are obtained conclusion as follow: a) CSR disclosure has no effect on Tax Aggressiveness in mining corporates registered in the IDX for the period of 2014 to 2019. Companies that do a lot or little CSR disclosure do not affect tax aggressive behavior. Further researchers can use other disclosures to test the validity of the data. b) Leverage has no effect on Tax Aggressiveness in mining corporates registered in the IDX for the period of 2014 to 2019. Companies that do much or little financing through debt do not affect tax aggressive behavior. Further researchers should be able to use other indicators in calculating leverage such as debt to asset ratio, time interest earned ratio, fixed charge coverage ratio to examine the validity of the results significance. c) Disclosure of GCG has no effect towards Tax Aggressiveness in mining corporates registered in the IDX for the period of 2014 to 2019. Companies that do a lot or little GCG disclosure do not affect tax aggressive behavior because the implementation of corporate governance disclosed in the corporate's annual report is still limited to documentation for the corporate’s benefit. Further researchers can use other disclosures to test the validity of the data. d) Earning Management does not moderate the effect of CSR disclosure towards Tax Aggressiveness in mining corporates that registered in the IDX for the period of 2014 to 2019. e) Earning Management moderates the effect of Leverage towards Tax Aggressiveness in mining corporates registered in the IDX for the period of 2014 to 2019. f) Earning Management moderates the effect of GCG disclosure towards Tax Aggressiveness in mining corporates registered in the IDX for the period of 2014 to 2019.

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