The Contrarian: Finance, Accounting, and Business Research
Volume 5, Issue 2, 2026
pp. 92-106

Does managerial ownership moderate the effect of firm value and corporate social responsibility disclosure on tax avoidance? Evidence from Indonesian Food and Beverage Companies

Michael Stefanus Marentek
Corresponding author:
fritslina@gmail.com
Sam Ratulangi University
Indonesia

Sonny Pangerapan
Sam Ratulangi University
Indonesia

Priscillia Weku
Sam Ratulangi University
Indonesia

Received 9 June 2026
Revised 4 July 2026
Accepted 6 July 2026
Published online 7 July 2026

DOI: 10.58784/cfabr.464

ABSTRACT
Taxes are one of the most important sources of state revenue for national development. However, companies often engage in tax avoidance to minimize tax expenses legally by taking advantage of loopholes in tax regulations. This study aims to analyze the effect of firm value and Corporate Social Responsibility (CSR) Disclosure on tax avoidance, with managerial ownership as a moderating variable, in food and beverage sub-sector companies listed on the Indonesia Stock Exchange during the period 2021–2024. This study uses a quantitative method with multiple linear regression analysis and Moderated Regression Analysis (MRA). The sampling technique used purposive sampling, resulting in 16 companies with a total of 64 firm-year observations. The data used are secondary data obtained from companies' financial statements. The results show that firm value, CSR Disclosure, and managerial ownership do not have a significant effect on tax avoidance (t-test significance values of 0.366, 0.681, and 0.700, respectively; all $p > 0.05$). Managerial ownership is also unable to moderate the relationship between firm value and CSR Disclosure on tax avoidance (interaction-term significance values of 0.265 and 0.589, respectively). The simultaneous test results indicate that all research variables together do not significantly affect tax avoidance ($F = 0.384$, $p = 0.765$; $R^2 = 0.019$, Adjusted $R^2 = -0.030$), indicating that the model explains only a small proportion of the variance in tax avoidance and that other factors outside the model are likely more influential.

Keywords: Firm value; corporate social responsibility disclosure; managerial ownership; tax avoidance

JEL Classification: H26; M14

The Contrarian: Finance, Accounting, and Business Research
Volume 5, Issue 2, 2026
pp. 92-106

1. Introduction

Taxes under Law Number 7 of 2021 concerning the Harmonization of Tax Regulations (UU HPP) are mandatory contributions to the state that are enforceable by law without direct compensation, and are utilized for the greatest prosperity of the people. Taxes serve as a vital instrument in state financing and national development, as well as the largest source of state revenue. Data from Statistics Indonesia (Badan Pusat Statistik [BPS]) indicate that government revenue from the taxation sector rose from approximately IDR 1,547.84 trillion in 2021 to IDR 2,309.86 trillion in 2024 (BPS, 2025). Beyond the domestic figures, cross-country evidence from the (World Bank 2025) estimates that Indonesia's combined VAT and corporate income tax gap — the difference between potential and actual tax collection — averaged 6.4% of GDP, or approximately IDR 944 trillion per year, between 2016 and 2021, with compliance-related shortfalls (including corporate tax avoidance and evasion) accounting for the larger share of that gap. Despite the growth in nominal tax revenue, this persistent gap indicates that the Directorate General of Taxes continues to face substantial concerns regarding tax avoidance practices carried out by both corporate and individual taxpayers, preventing state revenue potential from being fully optimized.

Tax avoidance is a legal effort to reduce tax burdens by exploiting loopholes in tax regulations. Although it does not violate the law, this practice is considered contrary to the spirit of tax compliance and fairness because it can reduce state revenue. Several factors thought to influence tax avoidance include firm value, Corporate Social Responsibility (CSR) Disclosure, and managerial ownership. Firm value reflects investors' perceptions of the company's prospects and performance, and is itself shaped by, among other things, how efficiently a company manages its tax burden; conversely, companies with higher valuations may face greater reputational incentives to avoid aggressive tax positions. This study focuses specifically on the first direction — the effect of firm value, as an antecedent, on subsequent tax avoidance behavior — consistent with the signaling-theory view that investors price a firm's governance and compliance posture into its valuation, while acknowledging that the reverse relationship (tax planning outcomes feeding back into firm value) is also plausible and is not the focus of the hypotheses tested here.

CSR Disclosure is a part of corporate governance that regulates the company's relationships with stakeholders and ensures that the company conducts its activities in accordance with ethical, legal, and social standards. Meanwhile, managerial ownership refers to a condition where company management holds shares in the company, thereby allowing them to influence decision-making, including tax policies. These three constructs are examined together because agency theory predicts that each addresses a different dimension of the same underlying agency conflict between shareholders and management: firm value proxies the market's assessment of management's stewardship, CSR Disclosure proxies management's voluntary transparency toward stakeholders, and managerial ownership proxies the direct alignment of management's financial interests with those of shareholders. Jointly testing them, with managerial ownership as a moderator, allows this study to assess whether stronger interest-alignment (higher managerial ownership) changes how the market-facing signals of firm value and CSR Disclosure translate into tax behavior.

Previous research shows inconsistent results regarding the effects of firm value, CSR Disclosure, and managerial ownership on tax avoidance. For example, (Fajar et al. 2025) and (Utami et al. 2022) report that firm value significantly affects tax avoidance, whereas other studies find no significant relationship once sector-specific factors are accounted for; similarly, (Widianti & Prasetyo. 2023) find that CSR Disclosure influences tax avoidance, while (Fauzan et al. 2021) report that managerial ownership and related governance mechanisms significantly affect tax avoidance in other sectors, results that do not always replicate across industries and periods. Therefore, this study positions managerial ownership as a moderating variable to analyze the effects of firm value and CSR Disclosure on tax avoidance. This research is crucial because a research gap still exists regarding the role of managerial ownership in moderating the relationship between firm value and CSR Disclosure toward tax avoidance, particularly in food and beverage sub-sector companies.

The food and beverage sub-sector is a particularly relevant setting for this question: according to the Ministry of Industry (Kementerian Perindustrian), the sub-sector contributed 40.31% of Indonesia’s non-oil-and-gas manufacturing GDP and 6.92% of national GDP in 2024, making it the single largest contributor within the manufacturing sector (Kementerian Perindustrian, 2025). Its scale, capital intensity, and reliance on both public investment and consumer trust make it a setting where firm value, CSR credibility, and managerial incentive alignment plausibly interact with tax strategy in ways that may not generalize from other manufacturing sub-sectors.

This study contributes to the literature in at least two ways. Theoretically, it extends agency theory by jointly testing firm value and CSR Disclosure as antecedents of tax avoidance and by testing whether managerial ownership — as a direct alignment mechanism — moderates these relationships, rather than treating ownership only as a standalone predictor. Practically, the findings are intended to inform bank and corporate management, the Directorate General of Taxes, and institutional investors in the food and beverage sub-sector about whether firm-level governance signals (value, disclosure, ownership) are, in this context, reliable indicators of tax behavior. The remainder of this article is organized as follows: Section 2 reviews the relevant theory and develops the hypotheses; Section 3 describes the research method; Section 4 presents the results and discussion; and Section 5 concludes with the study’s implications and limitations.

2. Literature review

Agency Theory

Agency theory according to (Jensen and Meckling 1976) explains the relationship between the principal (shareholder) and the agent (company management). Shareholders delegate authority to management to manage the company; however, differences in interests between the two can give rise to agency conflicts. This conflict emerges when management prioritizes personal interests over those of the shareholders.

One form of agency conflict occurs in tax decision-making, including tax avoidance practices. Management may engage in tax avoidance to increase company profits, but such actions also risk causing legal issues and damaging the company’s reputation. Therefore, oversight mechanisms and good corporate governance are required to align the interests of the principal and the agent.

Under Indonesia’s self-assessment system, taxpayers are granted the authority to calculate, pay, and report their own taxes. This condition provides an opportunity for management to minimize tax burdens as much as possible, thereby creating the potential for tax avoidance practices to occur (Wansu & Dura, 2024).

Taxation

According to Law Number 6 of 1983, as amended by Law Number 6 of 2023, tax is a mandatory contribution to the state that is enforceable by law and is utilized for the state's interests and the prosperity of the people (Mardiasmo, 2023). According to (Mardiasmo, 2023), taxes have two main functions, namely the budgetary function (budgetair) and the regulatory function (regulerend). The budgetary function refers to the role of taxes as a source of state revenue used to finance government expenditures and national development. Meanwhile, the regulatory function refers to the role of taxes as an instrument used by the government to regulate economic and social policies. Furthermore, the tax collection system in Indonesia consists of three systems: the Self-Assessment System, where taxpayers calculate, pay, and report their own taxes; the Official Assessment System, where the amount of tax payable is determined by the tax authority (fiskus); and the Withholding System, where tax collection or withholding is carried out by a third party.

Tax Avoidance

Tax avoidance is a legal effort to avoid taxes by exploiting loopholes in tax regulations to minimize tax burdens (Cornellia et al., 2023). This practice is carried out without violating legal provisions, for instance, through tax planning, utilizing tax incentives, or structuring specific transactions. A decreasing trend in tax avoidance could increase the trend in company value and, in turn, support share price movements, meaning that increases in share price do not depend only on macro conditions but are also supported by the quality of the company's financial reports (Lim & Vonyka, 2023).

Although legal, tax avoidance can reduce state revenue and runs counter to the spirit of tax fairness (Niswah & Nilwan, 2024). From an agency theory perspective, tax avoidance practices can lead to information asymmetry and conflicts of interest between management and shareholders due to a lack of corporate transparency (Sinaga et al., 2023). Tax avoidance is also viewed as a corporate strategy to increase profits by suppressing tax expenses. Therefore, it is essential for the government to continuously refine tax regulations to minimize the loopholes that can be exploited for tax avoidance practices.

Firm Value

Company value is the investor's perception of the condition of a company's achievements, which is reflected in the share price (Apriani & Martini, 2024). The higher the firm value, the greater the investors' confidence in the company's growth prospects and stability. One of the strategies used by companies to enhance firm value is through the efficient management of tax burdens, including legal tax avoidance practices. Reducing tax expenses can increase net profit, thereby having a positive impact on firm value in the eyes of investors.

Corporate Social Responsibility Disclosure

Corporate Social Responsibility Disclosure (CSR Disclosure) is a form of corporate social responsibility aimed at balancing economic, social, and environmental interests (Nurtanto & Wulandari, 2024). CSR is viewed not only as a moral obligation but also as a business strategy to cultivate harmonious relationships with stakeholders, such as the community, consumers, government, investors, and employees. The implementation of CSR Disclosure can enhance a company's legitimacy, reputation, and public trust. Furthermore, companies that actively execute CSR programs tend to possess a competitive advantage, including increased consumer

The Contrarian: Finance, Accounting, and Business Research
Volume 5, Issue 2, 2026
pp. 92-106

loyalty, investor support, and long-term operational sustainability. Consequently, CSR Disclosure serves as a means to integrate business objectives with social welfare and environmental preservation.

Managerial Ownership

Managerial ownership refers to the shareholding of a company by management members who are actively involved in corporate decision-making (Ratih & Fitria, 2024). By owning corporate shares, managers act not only as executives but also as owners who share the risks and reap the benefits of corporate decisions. This condition encourages management to be more prudent, transparent, and oriented toward enhancing firm value. Managerial ownership can also improve accountability and reduce opportunistic behavior by management. Therefore, a higher level of managerial ownership is expected to create alignment of interests between management and shareholders, thereby improving overall corporate performance.

Conceptual Framework and Hypothesis Development

Figure 1 summarizes the hypothesized relationships tested in this study: the direct effects of firm value (H1) and CSR Disclosure (H2) on tax avoidance, the direct effect of managerial ownership (H3), the moderating role of managerial ownership on the firm value–tax avoidance relationship (H4) and the CSR Disclosure–tax avoidance relationship (H5), and the simultaneous effect of all three variables on tax avoidance (H6).

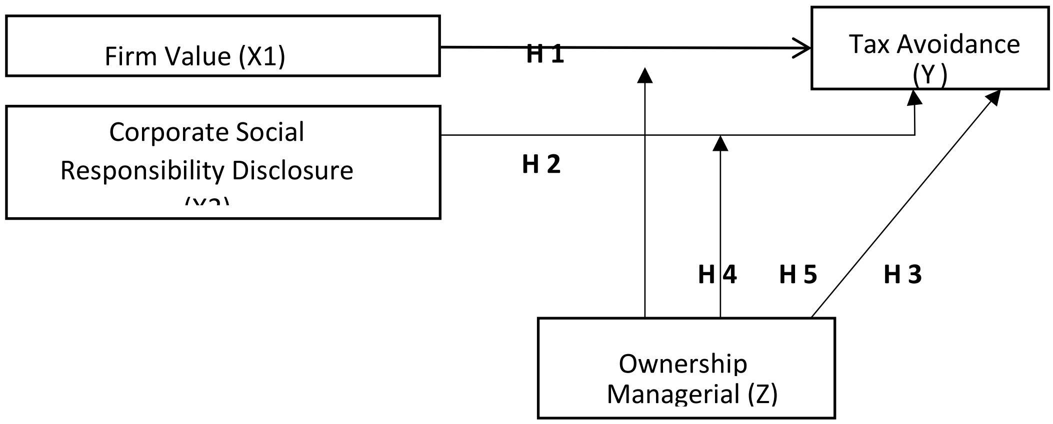

Figure 1. Conceptual framework of the study.

The Effect of Firm Value on Tax Avoidance

Research by (Fajar et al. 2025) demonstrates that firm value affects tax avoidance. Firm value reflects investors' perceptions of a company's performance and prospects, including management's capability to manage financial strategies efficiently. High-value companies tend to implement tax efficiency strategies to maintain profits and preserve investor confidence. This finding is supported by (Utami et al. 2022), who state that high-value companies employ more complex tax management strategies, thereby showing a tendency to engage in tax avoidance to sustain their competitive advantage. Not all evidence points in the same direction, however: other studies in different sectors and periods find no significant firm-value effect once reputational and compliance incentives dominate, which motivates testing this relationship as a non-directional hypothesis in the present sample. Based on the discussion above, the following hypothesis is formulated:

H1: Firm value affects tax avoidance in food and beverage sub-sector companies listed on the Indonesia Stock Exchange (IDX) for the 2021–2024 period.

The Effect of Corporate Social Responsibility Disclosure on Tax Avoidance

Research conducted by (Santoso, 2023) indicates that Corporate Social Responsibility (CSR) disclosure influences tax avoidance. Companies with a high level of CSR disclosure tend to pay greater attention to the public interest and to maintaining corporate legitimacy, making them more cautious when engaging in tax avoidance practices. Firms that are transparent in their CSR activities generally strive to protect their reputation and to avoid actions that could trigger negative perceptions from the public or regulators, including tax avoidance practices. Based on this explanation, the following hypothesis is formulated:H2: Corporate Social Responsibility Disclosure affects tax avoidance in food and beverage sub-sector companies listed on the IDX for the 2021–2024 period.

The Effect of Managerial Ownership on Tax Avoidance

Research by (Fauzan et al. 2021) shows that managerial ownership affects tax avoidance, a finding supported by research examining corporate governance mechanisms and their relationship with tax avoidance. Shareholding by managers can influence corporate strategic decision-making, including tax policies. Managers who own shares tend to align their interests with those of the shareholders, thereby exercising more caution in making decisions that pose risks to the company's reputation and sustainability. Conversely, managerial ownership can also drive tax avoidance practices as an effort to increase after-tax profits and firm value. The greater the shareholding by managers, the stronger the incentive to implement tax efficiencies to boost corporate profitability. Based on the discussion above, the following hypothesis is formulated:

H3: Managerial ownership affects tax avoidance in food and beverage sub-sector companies listed on the IDX for the 2021–2024 period.

Managerial Ownership Moderates the Effect of Firm Value on Tax Avoidance

Research by (Fauzan et al. 2021) reveals that managerial ownership influences tax avoidance practices, while studies by (Fajar et al. 2025) indicate that firm value affects tax avoidance. Managers who hold corporate shares tend to have greater motivation to maintain and enhance firm value, including through tax efficiency strategies. Managerial ownership can strengthen the relationship between firm value and tax avoidance because managers acting as owners will be more driven to increase net profits and share value. In contrast, managers with low share ownership tend to be less motivated to adopt aggressive tax policies. Based on this explanation, the following hypothesis is formulated:

H4: Managerial ownership moderates the effect of firm value on tax avoidance in food and beverage sub-sector companies listed on the IDX for the 2021–2024 period.

Managerial Ownership Moderates the Effect of Corporate Social Responsibility Disclosure on Tax Avoidance

Research by (Fauzan et al. 2021) shows that managerial ownership affects tax avoidance practices, while (Santoso. 2023) state that Corporate Social Responsibility Disclosure is related to a company's level of tax avoidance. Companies with high CSR disclosure tend to maintain their reputation and corporate legitimacy by reducing tax avoidance practices. Managers who own corporate shares are more likely to support the optimal implementation of CSR Disclosure to protect the company's long-term reputation and value. Consequently, managerial ownership is expected to strengthen the effect of CSR Disclosure on mitigating tax avoidance practices. Based on the discussion above, the following hypothesis is formulated:

H5: Managerial ownership moderates the effect of Corporate Social Responsibility Disclosure on tax avoidance in food and beverage sub-sector companies listed on the IDX for the 2021–2024 period.

The Simultaneous Effect of Firm Value, Corporate Social Responsibility Disclosure, and Managerial Ownership on Tax Avoidance

Firm value, Corporate Social Responsibility Disclosure, and managerial ownership are factors that can simultaneously influence tax avoidance practices. Firm value drives companies to maintain their performance and corporate image, CSR Disclosure enhances corporate transparency and social responsibility, while managerial ownership helps align management's interests with those of the shareholders. Studies by (Santoso. 2023) and (Fauzan et al. 2021) indicate that these three variables are interconnected with corporate tax policies. Therefore, the combination of these three variables is expected to simultaneously affect the company's level of tax avoidance. Based on the discussion above, the following hypothesis is formulated:

H6: Firm value, Corporate Social Responsibility Disclosure, and managerial ownership simultaneously affect tax avoidance in food and beverage sub-sector companies listed on the IDX for the 2021–2024 period.

3. Research method

The type of research used in this study is explanatory research. According to (Sugiyono 2025), explanatory research is a research method intended to explain the position of the variables studied as well as the effects of one variable on another. The primary reason the researcher uses the explanatory research method is to test the proposed hypotheses; thus, this study is expected to explain the relationship and effect between the independent and dependent variables contained within the hypotheses. As a strategy in this study, the researcher utilizes a descriptive study through hypothesis testing using a causal design.

This approach indicates that explanatory research is highly relevant when the researcher seeks to obtain a profound understanding of the mechanism underlying the relationships among the studied variables, particularly within the context of data-driven decision-making. By employing a causal design, this study allows the researcher to assess the extent to which changes in the independent variables can cause changes in the dependent variable, ensuring that the results of the analysis are not only descriptive but also inferential. The applied quantitative approach offers advantages in terms of objectivity and measurement precision, as the data are analyzed using structured statistical techniques.

The sampling technique in this study uses the purposive sampling method by considering several specific criteria, namely: (1) food and beverage sub-sector manufacturing companies listed on the Indonesia Stock Exchange (IDX) during the 2021–2024 period; (2) companies that published complete audited financial statements consecutively throughout the research period; (3) companies that did not incur a loss from 2021 to 2024; and (4) companies with disclosed, non-zero general and administrative expenses in their financial statements, used as a proxy for the presence of measurable agency costs.

Variable operationalization

Table 1. Variable operationalization

Variable	Type	Measurement	Source
Firm Value	Independent	Tobin's Q = (Market Value of Equity + Total Liabilities) / Total Assets	(Dzahabiyya et al. 2020)
Corporate Social Responsibility Disclosure	Independent	CSR = ΣXi / n, where ΣXi is the number of GRI-based checklist items disclosed and n is the total number of applicable checklist items (binary scoring: 1 = disclosed, 0 = not disclosed)	(Sangadah et al. 2024)
Managerial Ownership	Moderating	KM = Shares held by management / Total shares outstanding	(Ratih & Fitria 2024)
Tax Avoidance	Dependent	ETR = Income Tax Expense / Earnings Before Tax (EBT)	(Arieftiara 2022)

This study employs the documentation method. According to (Sugiyono (2025), documentation is used to obtain information that supports research findings by gathering data aligned with the study's scope. This process involves collecting supporting data, such as previous research journals, literature, and reference materials, followed by gathering secondary data in the form of annual financial statements from the IDX for the 2021–2024 period.

Data analysis was conducted using IBM SPSS Statistics. The analysis process is conducted with the assistance of this statistical software to ensure that data processing is carried out accurately and yields valid output. The applied analytical techniques include descriptive statistical analysis, classical assumption testing (normality, multicollinearity, heteroscedasticity, and autocorrelation), multiple linear regression, and Moderated Regression Analysis (MRA). MRA is used to test the effects of the independent variables on the dependent variable, as well as to determine the role of managerial ownership as a moderating variable that may strengthen or weaken the relationships between the variables. SPSS itself is a software program designed to facilitate structured data processing, analysis, and interpretation (Sujarweni, 2024).

4. Results and discussion

Descriptive statistics

Table 2. Descriptive statistics

Variable	N	Minimum	Maximum	Mean	Std. Deviation
Firm value	64	0.712	7.944	2.28573	1.556582
CSR Disclosure	64	0.000	1.000	0.83338	0.302832
Managerial ownership	64	0.501	0.990	0.78195	0.128543
Tax Avoidance	64	0.020	1.089	0.25169	0.161414

Based on the descriptive statistical results in Table 2, the overview of each variable is summarized as follows: (1) Firm Value ranged from 0.712 to 7.944, with a mean of 2.28573 and a standard deviation of 1.55658, indicating high variation among companies; (2) CSR Disclosure ranged from 0.000 to 1.000, with a mean of 0.83338 (standard deviation 0.30283), indicating that most sampled companies disclose a relatively high proportion of the applicable CSR checklist items, though some record a minimum value of 0.000; (3) Managerial Ownership ranged from 0.501 to 0.990, with a mean of 0.78195 and a low standard deviation of 0.12854, indicating a consistently high level of management shareholding across the sampled companies; and (4) Tax Avoidance ranged from 0.020 to 1.089, with a mean of 0.25169 (standard deviation 0.16141), reflecting a generally low level of tax avoidance, despite several companies exhibiting higher rates.

Normality Test

Table 3. One-Sample Kolmogorov-Smirnov Normality Test

Statistic	Unstandardized Residual
N	64
Mean	0.0000000
Std. Deviation	0.15988444
Test Statistic (Absolute)	0.312
Asymp. Sig. (2-tailed)	0.101
Monte Carlo Sig. (2-tailed)	0.101

Based on the results of the One-Sample Kolmogorov-Smirnov normality test, the significance value (Asymp. Sig., 2-tailed) obtained was 0.101, based on a Monte Carlo simulation with 10,000 samples (used given the sample size and the presence of ties in the data). Since the significance value is greater than 0.05, it can be concluded that the residual data are normally distributed. The mean residual value of 0.0000000 and the standard deviation of 0.15988444 indicate that the residuals are symmetrically distributed around zero. Therefore, the normality assumption in the regression model has been fulfilled, and the data are appropriate for further analysis.

Multicollinearity Test

Table 4. Multicollinearity Test Results

Variable	Tolerance	VIF
Firm Value	0.956	1.046
CSR Disclosure	0.967	1.034
Managerial Ownership	0.985	1.015

Based on the multicollinearity test results in Table 4, none of the independent variables exhibit multicollinearity: tolerance values (0.956, 0.967, and 0.985) are all above 0.10, and VIF values (1.046, 1.034, and 1.015) are all well below 10. Consequently, the research model is free from multicollinearity issues and is suitable for further analysis.

Heteroscedasticity Test

Table 5. Heteroscedasticity Test Results (Glejser Test)

Variable	B	Std. Error	Beta	t	Sig.
(Constant)	0.004	0.121	–	0.033	0.974
Firm Value	0.011	0.012	0.119	0.917	0.363
CSR Disclosure	−0.028	0.060	−0.060	−0.466	0.643
Managerial Ownership	0.090	0.140	0.083	0.644	0.522

Based on the heteroscedasticity test results using the Glejser method in Table 5, the significance values for Firm Value (0.363), CSR Disclosure (0.643), and Managerial Ownership (0.522) are all greater than 0.05. These results indicate that the independent variables do not have a significant effect on the absolute residuals, demonstrating that the regression model is free from heteroscedasticity and is suitable for further analysis.

The Contrarian: Finance, Accounting, and Business Research
Volume 5, Issue 2, 2026
pp. 92-106

Model Summary: Coefficient of Determination and Autocorrelation

Table 6. Model Summary (R^2 and Durbin-Watson)

R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
0.137	0.019	−0.030	0.163833	1.937

Based on the coefficient of determination results in Table 6, the R^2 value is 0.019, indicating that Firm Value, CSR Disclosure, and Managerial Ownership together explain only 1.9% of the variance in Tax Avoidance, while the remaining 98.1% is explained by factors outside the research model. The Adjusted R^2 value of −0.030 indicates that, after adjusting for the number of predictors, the model's explanatory power is effectively negligible. This very low explanatory power should be borne in mind when interpreting the non-significant findings below: the null results reported in this study reflect a model that captures very little of the variation in tax avoidance overall, so they should be read as evidence that this particular three-variable model does not explain tax avoidance in this sample, rather than as strong evidence against the underlying theoretical relationships in general.

For autocorrelation, the Durbin-Watson (DW) statistic is 1.937, compared to a lower bound (dL) of 1.471 and an upper bound (dU) of 1.731 for $n = 64$ and $k = 3$ predictors at $\alpha = 0.05$. Using the criterion $dU < DW < 4 - dU$, the calculation shows that $1.731 < 1.937 < 2.269$, satisfying the criterion. Consequently, the regression model is free from both positive and negative autocorrelation, and the residuals between observations are independent.

Simultaneous Significance Test (F-Test)

Table 7. Simultaneous Test Results (ANOVA)

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	0.031	3	0.010	0.384	0.765
Residual	1.610	60	0.027		
Total	1.641	63			

Based on the simultaneous test (F-test) results in Table 7, the calculated F-statistic is 0.384 with a significance value of 0.765. Since this significance value is greater than 0.05, Firm Value, CSR Disclosure, and Managerial Ownership simultaneously do not have a significant effect on Tax Avoidance (H6 not supported). This result indicates that these three independent variables collectively are not yet capable of explaining Tax Avoidance in the research model.

Multiple Linear Regression and Partial Significance Test (t-Test)

Table 8. Multiple Linear Regression and t-Test Results

Variable	B	Std. Error	Beta	t	Sig.
(Constant)	0.151	0.140	–	1.074	0.287
Firm Value	0.012	0.014	0.119	0.911	0.366
CSR Disclosure	0.029	0.069	0.054	0.413	0.681
Managerial Ownership	0.063	0.162	0.050	0.388	0.700

Based on Table 8, the regression equation obtained is: $Y = 0.151 + 0.012X_1 + 0.029X_2 + 0.063M + e$. The significance values are 0.366 for Firm Value, 0.681 for CSR Disclosure, and 0.700 for Managerial Ownership; since all are greater than 0.05, none of the three independent variables individually has a significant effect on Tax Avoidance (H1, H2, and H3 not supported). All three coefficients are positive, indicating a positive but statistically insignificant association with tax avoidance, and the constant of 0.151 indicates a baseline level of tax avoidance not explained by the variables in the model.

Moderated Regression Analysis (MRA)

Table 9. Moderated Regression Analysis — Interaction-Term Results

Variable	B	Std. Error	Beta	t	Sig.
(Constant)	0.190	0.063	–	3.011	0.004
X1M (Firm Value × Managerial Ownership)	0.019	0.017	0.142	1.124	0.265
X2M (CSR Disclosure × Managerial Ownership)	0.042	0.077	0.069	0.543	0.589

Based on Table 9, the significance value of the Firm Value × Managerial Ownership interaction term (X1M) is 0.265, and the significance value of the CSR Disclosure × Managerial Ownership interaction term (X2M) is 0.589; both are greater than 0.05. This indicates that managerial ownership does not significantly moderate either the effect of firm value on tax avoidance (H4 not supported) or the effect of CSR Disclosure on tax avoidance (H5 not supported), based on the interaction-term significance test. As noted above, this conclusion should be corroborated with a ΔR^2/F-change test once available.

Discussion

The Effect of Firm Value on Tax Avoidance

The results of the study indicate that firm value does not have a significant effect on tax avoidance (Sig. = 0.366 > 0.05). Consequently, the level of firm value does not influence the degree of tax avoidance within the food and beverage sub-sector companies for the 2021–2024 period. From the perspective of agency theory, management is expected to act in the best interest of shareholders, which includes achieving tax efficiency to maximize corporate profits. However, the findings of this study suggest that companies with high valuation tend to prioritize their reputation and regulatory compliance over executing aggressive tax avoidance practices, while companies with low valuation do not necessarily possess the resources or complex tax strategies required to engage in tax avoidance. This finding is consistent with prior evidence that firm value does not always exert a significant effect on tax avoidance once sector-specific reputational incentives are taken into account.

The Effect of Corporate Social Responsibility (CSR) Disclosure on Tax Avoidance

The results indicate that CSR Disclosure does not have a significant effect on tax avoidance (Sig. = 0.681 > 0.05). This demonstrates that the level of CSR disclosure is not yet capable of influencing corporate behavior regarding tax avoidance practices in this sample. Based on agency theory, CSR should serve as a mechanism that enhances transparency and reduces opportunistic management behavior; however, the findings reveal that CSR disclosure does not fully reflect a corporate commitment to tax compliance. Instead, CSR tends to be utilized as a legitimizing strategy and a public relations tool rather than an expression of ethical responsibility in tax management.

The Effect of Managerial Ownership on Tax Avoidance

The results indicate that managerial ownership does not have a significant effect on tax avoidance (Sig. = 0.700 > 0.05). This demonstrates that the proportion of shares held by management is not yet capable of influencing corporate policies regarding tax avoidance. According to agency theory, managerial ownership is expected to align the interests of management and shareholders, thereby encouraging management to be more cautious in decision-making, including tax policies; however, share ownership by management in this sample does not appear substantial or concentrated enough to translate into an observable difference in tax avoidance behavior. This null result contrasts with governance-based evidence such as (Fauzan et al. 2021), who find that ownership-related governance mechanisms are associated with tax avoidance in other manufacturing sub-sectors, suggesting that the strength of this relationship may be sector- and context-dependent rather than universal.

The Effect of Firm Value on Tax Avoidance with Managerial Ownership as a Moderating Variable

The results indicate that managerial ownership is unable to moderate the relationship between firm value and tax avoidance (Sig. of X1M = 0.265 > 0.05). This suggests that share ownership by managers neither strengthens nor weakens the effect of firm value on tax avoidance. Under agency theory, managers who hold shares are expected to be more motivated to safeguard the company’s reputation and valuation by avoiding risky tax avoidance practices; however, the findings of this study show that corporate tax decisions in this sample are driven more by internal financial and operational considerations than by market perceptions of firm value, regardless of the level of managerial ownership.

The Effect of CSR Disclosure on Tax Avoidance with Managerial Ownership as a Moderating Variable

The results indicate that managerial ownership is unable to moderate the relationship between CSR Disclosure and tax avoidance (Sig. of X2M = 0.589 > 0.05). This finding suggests that share ownership by management neither strengthens nor weakens the effect of CSR Disclosure on tax avoidance; CSR is still viewed primarily as a reporting and corporate-branding strategy rather than a mechanism capable of constraining management’s opportunistic behavior regarding tax policies. Consequently, this result does not support the strand of agency theory positing that managerial ownership can align the interests of agents and principals to safeguard corporate compliance and reputation.

The Simultaneous Effect of Firm Value, CSR Disclosure, and Managerial Ownership on Tax Avoidance

The simultaneous test (F-test) results indicate that Firm Value, CSR Disclosure, and Managerial Ownership collectively do not have a significant effect on tax avoidance (F = 0.384, Sig. = 0.765 > 0.05). These results show that tax avoidance practices in food and beverage sub-sector companies are not directly influenced by these three variables simultaneously, and that other factors outside the scope of this research model — such as profitability, leverage, firm size, and other corporate governance mechanisms — likely exert a greater influence on tax avoidance, consistent with the model's very low R^2 (0.019) noted earlier.

5. Conclusion

This study finds that firm value, CSR disclosure, and managerial ownership do not have a significant effect on tax avoidance among food and beverage sub-sector companies listed on the IDX during 2021–2024, either individually or simultaneously. Managerial ownership also fails to moderate the relationship between firm value and CSR disclosure and tax avoidance. With a very low explanatory power ($R^2 = 0.019$), the model accounts for only a small fraction of tax avoidance behavior, suggesting that these three factors are not the main drivers of tax avoidance in this sub-sector and that other variables outside the model are likely more influential. Theoretically, these null results imply that the agency-theory mechanisms linking firm value, CSR disclosure, and managerial ownership to tax behavior may operate more weakly in the food and beverage sector than in previously studied industries. Practically, they indicate that raising firm value, improving CSR disclosure, or increasing managerial shareholding alone should not be relied upon to change corporate tax behavior, and that regulators should be cautious in using these firm-level indicators as risk-screening proxies for tax avoidance.

The findings should be read in light of several limitations, namely a narrow scope (one sub-sector, 16 firms, 64 firm-year observations over four years), very low model explanatory power, potential measurement error in the CSR disclosure index, and possible endogeneity. Accordingly, the non-significant results are better interpreted as evidence about this specific three-variable model rather than a broad rejection of the underlying theory. Future research is therefore encouraged to expand the sample to other sectors and longer periods, add relevant control and governance variables (such as profitability, leverage, board size, audit committee characteristics, or institutional ownership), and apply more robust methods such as panel data regression with firm and year fixed effects to obtain more comprehensive and reliable insights.

References

Apriani, M., & Martini, R. (2024). Pengaruh perencanaan pajak, penghindaran pajak, dan profitabilitas terhadap nilai perusahaan: (Studi empiris pada perusahaan sektor pertambangan yang terdaftar di Bursa Efek Indonesia periode 2019-2023). *Anggaran: Jurnal Publikasi Ekonomi dan Akuntansi, 2*(3), 374–398. https://doi.org/10.61132/anggaran.v2i3.818

Arieftiara, D. (2022). Tax avoidance latent variable score (TAXLVS) sebagai pengukuran penghindaran pajak perusahaan secara komprehensif. Widina Bhakti Persada Bandung.

Badan Pusat Statistik (BPS). (2025). Realisasi pendapatan negara. Statistical table. BPS-Statistics Indonesia. https://www.bps.go.id/id/statistics-table/2/MTA3MCMy/realisasi-pendapatan-negara.html

Cornellia, T. D., Sondakh, J. J., & Weku, P. (2023). The effect of transfer pricing, audit quality, and profitability on tax avoidance in energy sector companies listed on the Indonesia Stock Exchange. *Journal of Governance, Taxation and Auditing (JOGTA), 2*(1), 25–32. https://journalkeberlanjutan.com/index.php/JoGTA/article/view/682

Dzahabiyya, J., Jhoansyah, D., & Danial, R. D. M. (2020). Analisis nilai perusahaan dengan model rasio Tobin's Q. *JAD: Jurnal Riset Akuntansi & Keuangan*

Dewantara, *3*(1), 46–55. https://ejournal.stiedewantara.ac.id/index.php/JAD/article/view/520

Fajar, G. I., Santoso, S. B., Haryanto, E., & Santoso, S. E. B. (2025). Pengaruh leverage, ukuran perusahaan, struktur modal terhadap kinerja keuangan perusahaan (Studi pada perusahaan tambang sub sektor batu bara yang terdaftar di ISSI tahun 2020–2023). *Journal of Accounting and Finance Management (JAFM)*, *5*(6), 1328-1338. https://dinastires.org/JAFM/article/view/1294/980

Fauzan, F., Arsanti, P. M. D., & Fatchan, I. N. (2021). The effect of financial distress, good corporate governance, and institutional ownership on tax avoidance (Empirical study of manufacturing companies in the consumer goods industry sector listed on the Indonesia Stock Exchange for the 2016–2019 period). *Riset Akuntansi Dan Keuangan Indonesia*, *6*(2), 154–165. https://doi.org/10.23917/reaksi.v6i2.16126

Jensen, M. C., & Meckling, W. H. (1976). Theory of the firm: Managerial behavior, agency costs and ownership structure. *Journal of Financial Economics*, *3*(4), 305–360. https://www.sciencedirect.com/science/article/pii/0304405X7690026X

Kementerian Perindustrian Republik Indonesia. (2025, March 18). Investasi di sektor makanan & minuman capai Rp110,57 triliun di 2024. Press statement reported by detikFinance. https://finance.detik.com/industri/d-7828733/investasi-di-sektor-makanan-minuman-capai-rp-110-57-t-di-2024

Lim, K. J., & Vonyka, V. (2023). Does tax avoidance affect company values in Indonesia in 2020–2022? *Jurnal Ilmiah Akuntansi Kesatuan*, *11*(3), 461–470. https://doi.org/10.37641/jiakes.v11i3.2290

Mardiasmo. (2023). Perpajakan. 1st edition.). Andi.

Niswah, L., & Nilwan, A. (2024). Tax avoidance: An agency theory perspective. *International Journal of Accounting, Management, Economics and Social Sciences*, *2*(4), 1242–1258. https://doi.org/10.61990/ijamesc.v2i4.306

Nurtanto, D. R., & Wulandari, S. (2024). Pengaruh corporate social responsibility, leverage dan profitabilitas terhadap penghindaran pajak. *Jurnal Ilmiah Manajemen, Ekonomi, & Akuntansi (MEA)*, *8*(1), 734–752. https://doi.org/10.31955/mea.v8i1.3723

Ratih, S. K., & Fitria, A. (2024). Pengaruh profitabilitas, kepemilikan manajerial, dan transfer pricing terhadap tax avoidance. *Jurnal Ilmu Dan Riset Akuntansi*, *13*(2), 1–17. https://jurnalmahasiswa.stiesia.ac.id/index.php/jira/article/view/5765

Sangadah, I., Astuti, P., & Zaman, B. (2024). Pengaruh Pengungkapan Coporate Social Responsibility, Good Corporate Governance, dan Ukuran Perusahaan Terhadap Profitabilitas Perusahaan Manufaktur Sub Sektor Makanan dan Minuman Yang Terdaftar di BEI Tahun 2021-2023. *Profit: Jurnal Manajemen, Bisnis Dan Akuntansi*, *3*(4), 176–192. https://doi.org/10.58192/profit.v3i4.2556

Sinaga, A. M., Sondakh, J. J., & Pangerapan, S. (2023). Pengaruh tax avoidance terhadap cost of debt dengan kepemilikan institusional sebagai variabel moderasi pada perusahaan manufaktur yang terdaftar di Bursa Efek Indonesia pada periode 2019–2021. *Going Concern: Jurnal Riset Akuntansi*, *18*(1), 56–57. https://ejournal.unsrat.ac.id/v3/index.php/gc/article/view/47296

Sugiyono. (2025). Metode penelitian kuantitatif, kualitatif, dan R&D. Alfabeta.

Sujarweni, V. W. (2024). *SPSS untuk penelitian*. Pustaka Baru Press.

Utami, M. P., Octaviani, S., & Haryadi, E. (2022). Pengaruh tax avoidance, ukuran perusahaan dan leverage terhadap firm value. *Lawsuit Jurnal Perpajakan*, *1*(2), 109–121. https://e-jurnal.lppmunsera.org/index.php/JUMA/article/view/5523

Santoso, E. B. (2023). Pengaruh pengungkapan tanggung jawab sosial terhadap penghindaran pajak dan peran asuransi. *Jurnal Ilmu Sosial, Manajemen, Akuntansi Dan Bisnis*, *4*(2), 51 - 61. https://doi.org/10.47747/jismab.v4i2.1125

Wansu, E. E., & Dura, J. (2024). Pengaruh ukuran perusahaan dan capital intensity terhadap tax avoidance (Perusahaan pertambangan di Bursa Efek Indonesia). *Owner: Riset dan Jurnal Akuntansi*, *8*(1), 749-759. https://owner.polgan.ac.id/index.php/owner/article/view/1871

World Bank. (2025). Estimating value Added Tax (VAT) and corporate income tax (CIT) gaps in Indonesia. World Bank Group.