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THE EFFECT OF CFO EXPERT POWER, CFO POLITICAL POWER, CAPITAL INTENSITY AND COMPANY CHARACTERISTICS ON EFFECTIVE TAX RATES

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ABSTRACT

This study aims to determine the impact of CFO Expert Power, CFO Political Power, Capital Intensity and Company Characteristics on the impactive tax rate. The independent variables in this study are CFO Expert Power, CFO Political Power, Capital Intensity and Company Characteristics which are proxied by Profitability, Leverage, and Company Size, while the dependent variable is the Effective Tax Rate. The population utilized in this study is the Property and Real Estate Sector Companies Listed on the Indonesia Stock Exchange in 2019-2023. The sampling technique utilized the purposive sampling method and obtained 80 samples from 16 companies. This study uses secondary data obtained from the Indonesia Stock Exchange. The analysis method of this study uses multiple linear regression with the SPSS version 22 application . Based on the findings of the analysis, it is stated that CFO Expert Power and Leverage have a negative impact on the impactive tax rate. Capital Intensity has a positive impact on the impactive tax rate. While CFO Political Power , Profitability and Company Size do not affect the impactive tax rate.

Keywords:Effective Tax Rate, Chief Financial Officer expert power, Chief Financial Officer political power, Capital intensity, Profitability, Leverage , and Company size.

A. Introduction

The main source of government revenue comes from the taxation sector, which reached IDR 2,021.2 trillion in 2023, much larger than other revenue sectors. According to Article 1 paragraph 1 of Law Number 28 of 2007 concerning the Third Amendment to Law Number 6 of 1983 concerning General Provisions and Tax Procedures, tax is an obligation that must be paid by individuals or entities to the state based on the law, without receiving direct compensation, and is utilized for the benefit of the state for the welfare of the people.

However, tax rates in Indonesia are relatively high compared to other ASEAN countries. According to Law No. 17 of 2000, the tax rate for business entities is set at 25%. This encourages taxpayers with large incomes to protect their assets from tax deductions through transfer pricing practices.

Like the case that occurred in Indonesia, namely a Property and Real Estate company that is suspected of cheating on taxes, findinging in a tax underpayment. in Indonesia for a property transaction carried out by the developer of the Bukit Semarang Baru Housing which was developed by PT Karyadeka Alam Lestari, namely the sale of a luxury home for IDR 7.1 billion in Semarang. However, in the notary deed it was only written as IDR 940 million. That means there is a price difference of IDR 6.1 billion. For this transaction, there is a potential for VAT (Value Added Tax) to be paid 10 percent times IDR 6.1 billion or IDR 610 million. Another shortfall is the final PPh (Income Tax) of 5 percent times IDR 6.1 billion or IDR 300 million. The total tax shortfall is IDR 910 million. If this developer sells hundreds of luxury homes, the state loss could reach tens of billions of rupiah from one housing project.

In addition, there was also a property transaction carried out in the Depok area at a price of IDR 2.56 billion. However, the notary deed only stated IDR 784 million, or there was a difference of IDR 1.9 billion. The potential VAT that had not been paid was 10 percent times IDR 1.9 billion or IDR 190 million and final income tax of 5 percent times IDR 1.9 billion or 85 million. The total tax underpaid by the developer was IDR 275 million from just one house unit. The difference in value clearly cautilized the loss of potential state revenue. The things that must be considered by both property sellers and buyers, the current applicable taxes for each transaction are first, deducting and paying final income tax according to the provisions of (5%) which is paid by the property company and VAT/PPnBM on the transfer of land or buildings with an actual selling price of (10%) which is the responsibility of the consumer buyer. Indications of companies avoiding taxes can be seen from the factors that influence it, one of which is profitability. Profitability can also affect tax avoidance. Where profitability is one of the measurements for a company's performance.

Companies act as one of the sources of government revenue because they are subjects of corporate tax. Taxes are considered a burden for companies, so many develop strategies to reduce their tax burden. Companies often use various methods to reduce their tax burden, such as tax planning, tax avoidance, and tax evasion. The government has changed the tax rates for corporate taxpayers several times with the aim of increasing tax revenue. (Susilawaty, 2020).

Previous study examined several factors that influence the impactive tax rate.

Examples of Influence Profitability, Leverage, and Chief Financial Officer Expert Power on Effective Tax Rates (AIzizah et al., 2022) . The Effect of Company Size, Debt Level, Return on Assets (ROA) and Managerial Ownership on Effective Tax Rates in Manufacturing Companies Listed on the Indonesia Stock Exchange (Erawati, T., & Jega, 2019) .

Based on several studies conducted by previous studyers, the findings were less consistent. Thus, studyers combined studyes previously Then analyzing " CFO Expert Power, CFO Political Power , Capital Intensity, and Company Characteristics on the impactive tax rate in a sample of Properties and Real Estate companies listed on the Indonesian Stock Exchange in the period 2019-2023".

B. RESEARCH METHODS

Types of study

The author uses quantitative study type in this study, as explained by (suliyanto, 2018) . The secondary data utilized by the studyer were obtained from financial reports and annual reports of property and real estate companies listed on the Indonesia Stock Exchange during the period 2019-2023. The way to obtain data is through the official website of the Indonesia Stock Exchange ( ).

Population and Sample

Population is defined as the entire group of people, events or things that have certain characteristics so that they can be understood and conclusions drawn by studyers as a predetermined area (Suliyanto, 2018) . All companies in the property and real estate sector listed on the Indonesia Stock Exchange (IDX) during the 2019-2023 period totaling

80 samples from 16 companies that were utilized as the population in this study.

Representatives of the population that can then be generalized to the population utilized from the selected elements so that samples can be formed (Sekaran & Bougie, 2017:54) . Manufacturing companies that meet the purposive sampling criteria are selected as samples.

The sample was taken using the sampling method according to certain criteria, namely: Property and real estate companies that are consistently listed on the Indonesia Stock Exchange (IDX) during the period 2019 to 2023, Property and real estate companies that publish annual financial reports consecutively during the period 2019 to 2023, Property and real estate companies that do not have a profit during the period 2019 to 2023.

Data collection

The data utilized for the study were collected through documentation, specifically by downloading financial reports from registered property and real estate companies during the period 2019 to 2023. In addition, studyers also utilized journals, theses, and information sources on the internet as references to search for additional data.

C. RESULTS AND DISCUSSION

RESULTS

Descriptive Statistical Test

Descriptive statistics are utilized to find out the general description or characteristics of the data utilized in this study. The analysis tools utilized are the average value (mean), standard deviation, variance, maximum and minimum values (Ghozali, 2018:19) .

Based on the table above, it can be seen that the observation data of this study is 80 data derived from the multiplication of the study period (5 years from 2019-2023) with a total of 16 companies. The following is an explanation of the descriptive statistical analysis data that has been processed, namely:

a. The CFO Expert Power variable (X1) has a minimum value of 0.0 and a maximum value of 0.1 with an average value (mean) of 0.85 with a standard deviation value of 0.359.
b. The CFO Political Power variable (X2) has a minimum value of 0.0 and a maximum value of 0.1 with an average value (mean) of 0.41 with a standard deviation value of 0.495.
c. The Capital Intensity variable (X3) has a minimum value of 0.00 and a maximum value of 0.65 with an average value (mean) of 0.0964 with a standard deviation value of 0.14620.
d. Profitability Variables (X4) has a minimum value of 0.00 and a maximum value of 0.20 with an average value (mean) of 0.0491 with a standard deviation value of 0.04315.
e. Leverage Variable (X5) has a minimum value of 0.00 and a maximum value of 0.64 with an average value (mean) of 0.3051 with a standard deviation value of 0.16696.
f. Company Size Variable (X6) has a minimum value of 15.60 and a maximum value of 31.83 with an average value (

mean) of 26.2952 with a standard deviation value of 4.35462.

g. The Effective Tax Rate variable (Y) has a minimum value of -0.95 and a maximum value of 0.21 with an average value (mean) of -0.0755 with a standard deviation value of 0.17986.

Classical Assumption Test

For study purposes, a good regression model must meet the requirement that there are no classical assumption problems. The following are the classical assumption tests tested in this study:

Normality Test

According to Ghozali (2018:27) , the purpose of normality testing is to determine whether the residual or confounding variables in the regression model are normally distributed. If the findings of the normality test show a significance value greater than 0.05, it reveals that the variable is normally distributed. Conversely, the variable is not normally distributed if the significance value is less than 0.05.

The following are the findings of the data processing process:

Hasil Uji Kolmogrov Smirnov
One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		80
Normal Parameters[a,b]	Mean	,0000000
	Std. Deviation	,06945266
Most Extreme Differences	Absolute	,083
	Positive	,065
	Negative	-,083
Test Statistic		,083
Asymp. Sig. (2-tailed)		,200[c,d]

Sumber: data Diolah, SPSS 22

Based on the test findings presented in table 4.2 above, it is known that the asymp. sig. (2-tailed) value > 0.05, which is 0.200, so it can be concluded that the data is normally distributed.

Multicollinearity Test

Multicollinearity test is applied in evaluating the relationship between independent variables utilized in the study. The regression model will be considered good if the independent variables are not related to each other. The relationship between independent variables can be done through the use of tolerance values and variance inflation factors (VIF). In this case, according to Ghozali (2018:107) , the regression model is considered free from multicollinearity if the tolerance value is greater than 0.1 and the VIF value is less than 10.

The following are the findings of the multicollinearity analysis:

Tabel 4.3
Hasil Uji Multikolinearitas

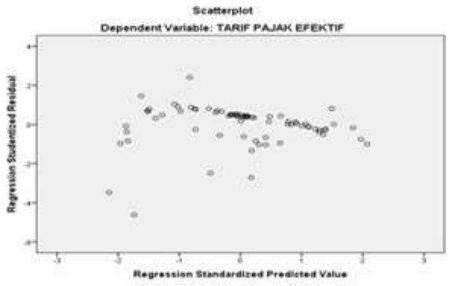
Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	CFO Expert Power	.830	1.205
	CFO Political Power	.764	1.310
	Intensitas Modal	.847	1.181
	Profitabilitas	.784	1.276
	Leverage	.805	1.242
	Ukuran Perusahaan	.856	1.168

Sumber: data Diolah, SPSS 22

Based on the test findings above, each variable has a VIF value below 10 and a tolerance value above 0.10, it can be concluded that in this regression model there is no multicollinearity or correlation between the independent variables.

Heteroscedasticity Test

Ghozaili (2018:137) stated that "the heteroscedasticity test aims to test whether in the regression model there is an inequality of variance from the residuals of one observation to another". When no heteroscedasticity is found, it shows a good regression model. The unique pattern on the scatterplot graph shows heteroscedasticity. Heteroscedasticity appears when the points in the regression model show a regular pattern such as widening, narrowing or wavy. Conversely, the regression model is not heteroscedastic if the points on the Y axis are spread above and below zero and no clear pattern is visible.



Sumber: Data Diolah, SPSS 22

Gambar 4.2
Grafik Scater plot Hasil Uji Heteroskedastisitas

Based on Figure 4.2, the residual data from the regression model of this study does not show a particular pattern, the findings are distributed above and below point 0 (zero) and do not show any heteroscedasticity.

Autocorrelation Test

According to Ghozali (2018:111) the autocorrelation test in the linear regression model attempts to determine whether the error in period t is correlated with the error in period t-1 (previously). The regression model is considered impactive if there is no autocorrelation in the data. The Durbin Watson Test (DW Test) can be utilized to conduct the autocorrelation test. The following are the criteria for determining whether there is autocorrelation:

Tabel 4.4
Hasil Uji Autokorelasi

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.556[a]	.309	.241	.15739	1.900

Sumber: Data Diolah, SPSS 22

The Durbin Watson (DW) value is 1.900, the dU value is 1.8008, and the 4-dU value is 2.1992, which reveals that 1.8008 < 1.900 < 2.1992, where the critical value is 95% (0.05), so it can be concluded that there is no autocorrelation in this study.

Multiple Linear Regression Test

In this study, multiple linear regression analysis is utilized to test the influence of CFO Expert Power, CFO Political Power, Capital Intensity, profitability , leverage, and company size as independent variables on the dependent variable, namely impactive tax rate.

Tabel 4.5
Hasil uji Regresi Linear Berganda

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	.136	.152		.893	.375
	CFO Expert Power	-.151	.054	-.301	-2.790	.007
	CFO Political Power	-.045	.041	-.125	-1.112	.270
	Intensitas Modal	.273	.132	.222	2.077	.041
	Profitabilitas	.694	.463	.166	1.498	.138
	Leverage	-.339	.118	-.315	-2.874	.005
	Ukuran Perusahaan	-.001	.004	-.020	-.186	.853

Sumber: Data Diolah, SPSS 22

Based on the analysis of table 4.5, the following regression equation can be prepared:

$Y = \alpha + \beta\ 1\ X\ 1 + \beta\ 2\ X\ 2 + \beta\ 3\ X\ 3 + \beta\ 4\ X\ 4 + \beta\ 5\ X\ 5 + \beta\ 6\ X\ 6 + e$

$Y = 0.136 - 0.151\ X\ 1 - 0.045\ X\ 2 + 0.273\ X\ 3 + 0.694$

As a finding of this regression equation, the following interpretation can be made:

1. The constant value (α) 0.136, reveals that if the independent variable does not exist or has a value of 0, then the value of the dependent variable, namely the impactive tax rate , is 0.136.
2. CFO Expert Power coefficient , which is -0.151, every additional unit of CFO Expert Power will be followed by a decrease in the impactive tax rate of 0.151.
3. CFO Political Power coefficient , which is -0.045, every additional unit of CFO Political Power will be followed by a decrease in the impactive tax rate of 0.045.
4. Based on the Capital Intensity coefficient of 0.273, every additional unit of Capital Intensity will be followed by an increase in the impactive tax rate of 0.273.
5. Based on the Profitability coefficient of 0.694, every additional unit of profitability will be followed by an increase in the impactive tax rate of 0.694.
6. Leverage coefficient of -0.339, every

additional unit of Leverage will be followed by a decrease in the impactive tax rate of 0.339.

7. Based on the Company Size coefficient of -0.001, every additional one unit of Company Size will be followed by a decrease in the impactive tax rate of 0.001.

Hypothesis Testing

Anova Test or F Test

The F statistical test is utilized to show whether all independent variables included in the model have a joint influence on the dependent variable (Ghozali, 2018:98) .

Tabel 4.6
Hasil Uji F

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.750	6	.125	5.051	.000[b]
	Residual	1.806	73	.025		
	Total	2.556	79			

Sumber: Data Diolah, SPSS 22

Based on Table 4.6, the calculated F value is 5.051 with a Sig. value of 0.000, then the F table value is 2.14. This means that the calculated F > F table (5.051 > 2.14) or Sig. <0.05 (0.000 <0.05), so

it can be concluded that all independent variables have a simultaneous impact on the dependent variable.

Partial Test (T-Test)

The T-test is useful in evaluating the relative contribution of each independent variable to the explanation of the dependent variable. By examining the variables in the equation table is how this test is run. The level of significance utilized is 5% (0.05). The hypothesis is rejected when the significance value is > 0.05, which means that the independent variable does not have a significant impact on the dependent variable, and the hypothesis is accepted when the significance value is < 0.05, which means that the independent variable has a significant impact on the dependent variable (Ghozali, 2018:98) .

Tabel 4.7
Hasil Uji T

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	.136	.152		.893	.375
	CFO Expert Power	-.151	.054	-.301	-2.790	.007
	CFO Political Power	-.045	.041	-.125	-1.112	.270
	Intensitas Modal	.273	.132	.222	2.077	.041
	Profitabilitas	.694	.442	.166	1.568	.121
	Leverage	-.339	.118	-.317	-2.874	.005
	Ukuran Perusahaan	-.001	.004	-.020	-.186	.853

Sumber: Data Diolah SPSS 22

The t-test findings data for each variable were found, as shown in table 4.7, namely:

a. CFO Expert Power (X1)

The t-test produces a calculated t value of -2.790 with a significance level of 0.007. The provisions for making a hypothesis decision are accepted or rejected based on the magnitude of the significance value. If the significance is less than or equal to

0.05 (α = 5%) then the hypothesis is accepted. The findings of the study obtained a t- table value of 1.6660, which reveals that -2.790> -1.6660 while the

significance level is 0.007 <0.05, then H1, namely " CFO Expert Power Has a Negative Effect on Effective Tax Rates (Empirical Study of Property and Real Estate Companies Listed on the Indonesia Stock Exchange in 2019-2023)" is accepted.

b. CFO Political Power (X2)

The t-test produces a calculated t value of -1.112 with a significance level of 0.270. The provisions for making a hypothesis decision are accepted or rejected based on the magnitude of the significance value. If the significance is less than or equal to

0.05 (α = 5%) then the hypothesis is accepted. The findings of the study obtained a t- table value of 1.6660, which reveals that -1.112 <-1.6660 while the

significance level is 0.270> 0.05, then H2, namely " CFO Political Power Has a Positive Influence on Effective Tax Rates

(Empirical Study of Property and Real Estate

Companies Listed on the Indonesia Stock Exchange in 2019-2023)" is rejected.

c. Capital Intensity (X3)

calculated t value of 2.077 with a significance level of 0.041. The provisions for making a hypothesis decision are accepted or rejected based on the magnitude of the significance value. If the significance is less than or equal to 0.05 (α = 5%) then the hypothesis is accepted. The findings of the Capital Intensity study have a significant value of 0.041 which is less than 0.05, meaning that Capital intensity has an impact on the impactive tax rate, but because it has a positive direction B (2.077), it means that the hypothesis can be concluded that it is rejected. then H3, namely "Capital Intensity Has a Positive Effect on the Effective Tax Rate (Empirical Study of Property and Real Estate Companies Listed on the Indonesia Stock Exchange in 2019-2023)"

d. Profitability (X4)

The t-test produces a calculated t value of 1.498 with a significance level of 0.138. The provisions for making a hypothesis decision are accepted or rejected based on the magnitude of the significance value. If the significance is less than or equal to 0.05 (α = 5%) then the hypothesis is accepted. The findings of the study obtained a t- table value of 1.6660, which reveals that 1.498 <1.6660 while the significance level is 0.138> 0.05, then H4, namely "Profitability Has a Positive Effect on Effective Tax Rates (Empirical Study of Property and Real Estate

Companies Listed on the Indonesia Stock Exchange in 2019-2023)" is rejected.

e. Leverage (X5)

The t-test produces a calculated t value of -2.874 with a significance level of 0.005. The decision-making provisions for the hypothesis are accepted or rejected based on the magnitude of the significance value. If the significance is less than or equal to 0.05 (α = 5%) then the hypothesis is accepted. The findings of the study obtained a t- table value of 1.6660, which reveals that -2.874> -1.6660 while the significance level is 0.005

<0.05, then H5, namely " Leverage Has a Negative Effect on Effective Tax Rates (Empirical Study of Property and Real Estate Companies Listed on the Indonesia Stock Exchange in 2019-2023)" is accepted.

f. Company Size (X6)

The t-test produces a calculated t value of -0.186 with a significance level of 0.853. The provisions for making a hypothesis decision are accepted or rejected based on the magnitude of the significance value. If the significance is less than or equal to 0.05 (α = 5%) then the hypothesis is accepted. The findings of the study obtained a t- table value of 1.6660, which reveals that -0.186 <-1.6660 while the significance level is 0.853> 0.05, then H6, namely "Company Size Has a Positive Effect on Effective Tax Rates (Empirical Study of Property and Real Estate Companies Listed on the Indonesia Stock Exchange in 2019-2023)" is rejected.

Coefficient of Determination (R 2)

Research using multiple linear analysis methods needs to conduct a determination coefficient test to prove how much a model can explain the types of dependent variables. This value ranges between zero and one, and the determination coefficient will be low if there is only one independent variable that shows the dependent variable (Ghozali, 2018:98) . The following findings of the determination coefficient test analysis can be seen in the table:

Tabel 4.8
Hasil Uji Koefisien Determinan

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.542ª	.293	.235	.15729

Sumber: Data Diolah, SPSS 22

Based on the test findings above, it can be seen that the Adjusted R Square value is 0.235 or 23.5%, meaning that the variables CFO Expert Power, CFO Political Power, Capital Intensity, profitability , leverage, and company size can explain the variation in the impactive tax rate variable , which is 23.5%, while the remaining 76.5% is explained by other variables not utilized in this study.

DISCUSSION

The influence of CFO Expert Power on impactive tax rates

Based on the findings of table 4.7, the CFO Expert Power variable has a significant level of

0.007 which is smaller than 0.05, so it can be stated that the hypothesis is accepted, CFO Expert Power has a negative impact on the impactive tax rate. A CFO who has professional certification, educational background, and experience in accounting and finance, so that it can reduce the impactive tax rate in terms of decision making related to its tax rate.

This study is in line with (Pu, D., Yun, H, & Ming-Hsien, 2015) which states that when a CFO has an educational background, major subject

and experience in accounting and finance, the company will have a low impactive tax rate.

The influence of CFO Political Power on impactive tax rates.

Based on the findings of table 4.7, CFO Political Power has a significant value of 0.270 which is greater than 0.05, so it can be stated that the hypothesis is rejected, CFO Political Power has no impact on the impactive tax rate.

This study is in line with the study conducted by (Wati et al., 2018) which stated that it is suspected that companies whose majority shares are directly owned by the Central Government or Regional Government (BUMN / BUMD) are low-risk taxpayers based on the Regulation of the Minister of Finance Number 71 / PMK.03 / 2010. This determination reveals that the Directorate General of Taxes trusts the company as a taxpayer who is unlikely to carry out tax avoidance actions. Other evidence related to the tax authorities' trust in companies whose majority shares are directly owned by the Central Government and / or Regional Government is the appointment of BUMN as collectors.

The Effect of Capital Intensity on Effective Tax Rates.

Based on the findings of table 4.7, Capital Intensity has a significant value of 0.041, which is smaller than 0.05, meaning that Capital Intensity has an impact on the impactive tax rate, but because it has a positive direction B (2.077), it means that it can be concluded that the hypothesis is rejected.

The greater the value of capital intensity shows the greater the amount of funding or investment transaction activities related to fixed asset investment and inventory in a company. Companies with large capital will expect large profits as a consequence of the use of large capital.

One of the largest capital in a company is fixed assets. If a company has a large amount of fixed assets, it will pay large taxes, and vice versa. This is because there is an asset contribution of only a few percent. Every year the depreciation value utilized for tax deductions is the same, but the income received by the company each year is getting bigger, because large companies automatically have large sales volumes, so that large companies, even though they have many assets, will pay large taxes, because the income earned by the company is also large.

These findings support the study findings conducted by (Rahmawati & Titik 2019) and (Scania Evana, 2016) which provide empirical evidence that capital intensity has a positive impact on ETR.

The Effect of Profitability on Effective Tax Rates

Based on the findings of table 4.7, Profitability has a significant value of 0.138, which is greater than 0.05, so it can be stated that the hypothesis is rejected, Profitability does not affect the impactive tax rate.

Profitability shows the findings (return) on the amount of assets utilized in the company, Profitability is also a measure of the impactiveness of management in managing its investment, the lower the Profitability ratio , the less good (Kasmir, 2011) , This can be interpreted that with low Profitability , the company is less able to show management impactiveness so that the findings (returns) obtained are low, with low profits, the tax burden becomes low, so that companies tend to pay taxes according to the regulations set. And the higher the profitability obtained by a company, it does not have a significant impact on the rise and fall of the impactive tax rate. This is in line with study from (Deriashid and Zhang in Imelia, 2015) and (Scania Evana, 2016) that the Profitability variable does not affect the impactive tax rate.

The Effect of Leverage on Effective Tax Rates.

Based on the findings of table 4.7, Leverage has a significant value of 0.005 < 0.05, so it can be stated that the hypothesis is accepted, leverage has a negative impact on the impactive tax rate.

This is in line with study from (Natalia, 2020) and (Noor et al., 2010) that the leverage variable has a negative impact on the impactive tax rate. Based on agency theory, debt can be utilized by managers to reduce corporate tax costs by utilizing debt interest costs (Michael C. Jensen and William H. Mecklin, 1979) . Debt costs arising from debt can be a tax deduction factor. Loan interest, both paid and unpaid at maturity, is a deductible expense (Pu, D., Yun, H, & Miing-Hsien, 2015) Corporate leverage can help reduce a company's tax burden. So the higher the leverage a company has, the lower the impactive tax rate.

The Effect of Company Size on Effective Tax Rates.

Based on the findings of table 4.7, Company Size has a significant value of 0.853, which is greater than 0.05, so it can be stated that the hypothesis is rejected, Company Size does not affect the impactive tax rate.

This is in line with study from (Imelia, 2015) and (Gatot, 2011) which states that the size of the company in this sample is relatively the same between companies from the logarithm of total assets. In addition, the size of the company shows the stability and ability of the company to carry out its economic activities. Therefore, this is what causes the absence of variation in impactive tax rates between companies. The size of the company does not provide a guarantee in determining the size of the impactive tax rate . So that Company Size does not affect the impactive tax rate.

CONCLUSION

This study aims to determine the impact of CFO Expert Power, CFO Political Power, Capital Intensity and Company Characteristics on Effective Tax Rates in Property and Real Estate Companies listed on the Indonesia Stock Exchange in 2019-2023 which includes 80 company samples. Based on the findings of data analysis and discussions of previous chapters that have been carried out, it can be concluded that:

1. Based on the study findings, it is proven that CFO Expert Power has a negative impact on the impactive Tax Rate. A CFO who has professional certification, educational background, and experience in accounting and finance, so that it can reduce the impactive tax rate in terms of decision making related to its tax rate.
2. Based on the study findings, it is proven that CFO Political Power has no impact on the impactive Tax Rate . Companies whose majority shares are directly owned by the Central Government and/or Regional Government are low-risk taxpayers, thus indicating that the Directorate General of Taxes trusts the company as a taxpayer who is unlikely to commit tax avoidance.
3. Based on the study findings, it is proven that Capital Intensity has a positive impact on the impactive tax rate. If a company has large fixed assets, it will pay large taxes, and vice versa. because large companies automatically have large sales volumes, so large companies, even though they have many assets, will pay large taxes because the income earned by the company is also large.
4. Based on the study findings, it is proven that Profitability does not affect the impactive Tax Rate. Low profitability means that the company is less able to

   demonstrate management impactiveness so that the findings (returns) obtained are low, with low profits, the tax burden becomes low, so that companies tend to pay taxes according to the regulations. And the higher the profitability obtained by a company, it does not have a significant impact on the rise and fall of the impactive tax rate.
5. Based on the study findings, it is proven that Leverage has a negative impact on the impactive Tax Rate. Corporate debt can help reduce the company's tax burden. So the higher the leverage the company has, the lower the impactive tax rate.
6. Based on the study findings, it is proven that company size does not affect the impactive tax rate. Company size shows the stability and ability of the company to carry out its economic activities. Therefore, this is what causes the absence of variation in impactive tax rates between companies. The size of the company does not provide a guarantee in determining the size of the impactive tax rate .

SUGGESTION

Based on the conclusions of this study, several suggestions can be given regarding this study, namely:

1. Due to the lack of information available on Chief Financial Officer Expert Power and Chief Financial Officer Political Power , further study is needed on the measurement items of Chief Financial Officer Expert Power and Chief Financial Officer Political Power by adjusting to the conditions in Indonesia.Expert Power CFOs who have expert power usually have extensive professional skills, knowledge, and networks in Finance. This expertise allows CFOs to identify and exploit tax saving opportunities through efficient tax planning, use of tax incentives, and legitimate tax avoidance strategies. Thus, companies that have CFOs with high expert power tend to pay lower impactive tax rates, because the CFO is able to reduce the company's tax burden legally and optimally.
2. Highly capital intensive companies typically own large amounts of fixed assets such as machinery, buildings, and equipment. These assets often require large initial investments and significant maintenance costs, but they also provide tax benefits through deductible depreciation and amortization. However, these benefits are often not enough to offset the full tax burden faced by capital intensive companies. As a finding, these companies tend to report higher taxable income, which in turn increases their impactive tax rates. In other words, despite some tax benefits from capital investment, the overall tax burden remains high due to the large and ongoing taxable income generated by capital intensive companies.
3. For company management, it is expected to increase the company's profitability level because the company will gain benefits from tax incentives and other tax breaks so that the company will carry out tax planning to reduce the impactive tax rate so that it is not too high, and company management is expected to pay more attention to every action that will be taken and the risks that will be borne in relation to its tax burden obligations.
4. Companies with high levels of leverage tend to have significant interest expenses, which are deductible from taxable income. This deduction reduces the company's taxable income, thereby lowering the impactive tax rate it pays. By utilizing debt financing, companies can legally reduce their tax liabilities through interest deductions, making leverage an impactive tax planning tool to optimize the company's tax burden.

5. Companies that have a large number of assets will show a large tax rate, and vice versa if the total assets of the company are small, it will show a small tax rate paid. If the size of the company increases, the total profit obtained by the company will increase.
6. Further study is expected to add or use other variables besides those studied in this study such as tax facilities, institutional ownership and so on which may be able to help in further study. In addition, it is expected to add study samples with the latest period or other types of companies to increase the study period.

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