CHAPTER V

CONCLUSION

A. Conclusion

Derived from the research conducted, the conclusions are as follows:

1. The family ownership variable has no influence on tax avoidance. The outcome revealed that there is no significant relationship between family ownership and tax avoidance behaviour, as evidenced by statistical testing.
2. Profitability variable has a positive effect on tax avoidance. This means that the higher the level of profitability of a company, the greater the tendency of the company to conduct tax avoidance. This shows that companies that earn greater profits tend to look for ways to minimize their tax burden in order to maintain financial efficiency and increase company value in the eyes of investors.
3. The independent commissioner variable does not moderate the effect of family ownership on tax avoidance. The outcomes of this research stipulate that the effectiveness of the supervision and monitoring mechanism executed by independent commissioners has limitations, allowing management to carry out tax avoidance practices.

B. Implication

Derived from the research conducted, the practical implications are as follows:

1. Toward Company

   Family companies need to realize that tax avoidance practices can affect their reputation and business sustainability. Transparency in tax reporting and compliance with regulations can increase investor and other stakeholder confidence. The outcomes of this study might be a reference for management in designing a balanced tax policy, namely by minimizing the tax burden without violating regulations and maintaining business integrity.

2. Toward Government

The government may consider stricter policies in regulating tax avoidance, for example by increasing transparency and supervision of companies with family ownership structures. Regulations on the role of independent commissioners could be strengthened to ensure they have sufficient authority and capacity to oversee corporate tax policies.

3. Toward Investor

Investors might utilize the outcomes of this study as a consideration in assessing investment risk, especially in family companies that may have a bigger tendency to practice tax avoidance. Shareholders can encourage companies to improve more transparent and accountable governance to reduce tax avoidance practices that are risky for business sustainability and financial stability of the company.

C. Limitations and Suggestion for Future Research

1. Research Limitation

a. This research uses a sample of primary consumer goods sector companies (Consumer Non-Cyclicals) sub-sector food and beverage so that the results may not be generalized to all industrial sectors or companies that are not listed on the stock exchange.

b. This research inspects the relationship between family ownership and profitability as independent variables, and tax avoidance as the dependent variable and independent commissioner as a moderating variable.

B. Suggestion

a. Future research can expand the sample coverage by including companies from various industrial sectors or companies that are not listed on the stock exchange to increase the generalization of research results.

b. Future research can include control variables such as firm size, leverage, company age, and company growth to ensure that the research results are more specific and not impacted by other external factors.