



The Effect of Profitability, Leverage, and Capital Intensity on Tax Planning Moderated by Company Size in Real Estate Companies from 2022 to 2024

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Abstract

This study identifies the impact of profitability, leverage, and capital intensity on tax planning, with company size as a moderating variable, focusing on real estate companies listed on the Indonesia Stock Exchange (IDX) for the years 2022 to 2024. This study uses a quantitative method with moderated regression analysis (MRA). The sample consists of 37 companies that meet certain criteria, resulting in 111 panel data observations. The findings show that profitability has a significant positive effect on tax planning, while leverage has a significant negative effect on tax planning, and capital intensity has a significant positive effect on tax planning. Company size does not moderate the relationship between profitability, leverage, and capital intensity on tax planning. The managerial implication of this study is the importance of company management to pay attention to the balance between tax efficiency and tax compliance so as not to trigger legal risks and damage to reputation.

Keywords: Profitability, Leverage, Capital Intensity, Tax Planning, Company Size.

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1. Introduction

Taxes are the largest contributor to state revenue, but from this revenue, we can see the return, even if not directly, therefore the taxes paid by the people are very beneficial to the nation and state, as explained. Law No. 28 of 2007 states that taxes are mandatory contributions paid by individuals or entities, are compulsory in nature, and are used for state purposes [1]. Every year, the state's targets vary in terms of tax revenue, but sometimes the taxes received by the state are achieved and sometimes they are not. The following data is taken from DJP Report, 2022, DJP Report, 2023, DJP Report, 2024. The collection carried out by the government from 2022 to 2024 shows that tax revenue in those years has increased, especially in 2022, where the target was IDR 1,484.96 trillion and the realization was IDR 1,716.76 trillion, an increase of 15.61% from the target. Then in 2023, there was also an increase of 2.73%, which was slightly lower than in 2022, and in 2024, there was an increase of 0.46%, which was lower than in 2022 and 2023. This shows that even though tax revenue realization in Indonesia in 2022-2024 has increased and always exceeded its target, the effectiveness over the three years indicates a decline in fiscal space, which will have an impact on increased tax audits and high fiscal pressure.

The provisions of Law No. 12 of 1985 concerning land and building tax can provide benefits and/or social status. better economic conditions for individuals or entities that have rights to it or derive benefits from it, and therefore it is reasonable for them to be required to

give a portion of the benefits or enjoyment they obtain to the state through taxes, so this is related to the research I am conducting in the real estate sector (Law No. 12 of 1985). The provisions of Law No. 7 of 1983 concerning income tax impose a tax on taxpayers in relation to the income they receive or earn in the tax year. Taxpayers are subject to tax if they receive or earn income. This relates to income received in the real estate sector (Law No. 7 of 2008).

Government regulations on corporate income tax set a rate of 22%. A CETR value lower than this rate may reflect tax planning efforts by the company. However, companies with a CETR value equal to or exceeding the applicable corporate tax rate tend not to be indicated as engaging in tax planning. I indicate that there are several companies, especially in the real estate sector, whose payments are less than 22% or less than 22% [2]. The following is data on PT Makmur Berkah Amanda Tbk (AMAN) tax payments in 2022 of around 18%, in 2023 of 8%, in 2024 of 11%, PT Agung Podomoro Land Tbk (APLN) paid 9% tax in 2022, 9% in 2023, and 17% in 2024, PT Bumi Serpong Damai Tbk (BSDE) paid 14% tax in 2022, 14% in 2023, in 2024, 8%, then Cahayasakti Investindo Sukses (CSIS) in 2022 paid 1% tax, in 2023, 4%, in 2024, 5%, then PT Ciputra Development Tbk (CTRA) in 2022, 13%, in 2023, 15%, in 2024, 14% and there are still 22 companies that are indicated to be less than 22%, namely Alam Sutera Realty Tbk, Bumi Citra Permai Tbk, Wulandari Bangun Laksana Tbk, Intiland Development Tbk, Puradelta Lestari Tbk, Duta Pertiwi Tbk, Fortune Mate Indonesia Tbk, Gowa Makassar

Tourism Developm, Perdana Gapuraprima Tbk, Royalindo Investa Wijaya Tbk, Indonesian Paradise Property T, Era Graharealty Tbk, Jaya Real Property Tbk, Kawasan Industri Jababeka Tbk, Star Pacific Tbk, Mega Manunggal Property Tbk, Metropolitan Land Tbk, Pantai Indah Kapuk Dua Tbk, Plaza Indonesia Realty Tbk, Pollux Hotels Group Tbk, Pakuwon Jati Tbk, Repower Asia Indonesia Tbk, Suryamas Duta Makmur Tbk, Winner Nusantara Jaya Tbk, and the remaining 7 companies that did not indicate planning more than 22% were Bekasi Fajar Industrial Estate, Bhuwanatala Indah Permai Tbk, Diamond Citra Propertindo Tbk, Bima Sakti Pertiwi Tbk., Rockfields Properti Indonesia, Summarecon Agung Tbk. Urban Jakarta Propertindo Tbk.

Therefore, companies will respond by conducting tax planning to minimize their burden. As a result, many companies still engage in tax planning, both legally and illegally. Illegal methods to minimize tax liabilities include tax evasion through the use of illegal means to reduce or even eliminate tax burdens, while legal methods include reducing tax costs. Tax planning actions involve several factors, namely: Profitability can assess whether a company is efficient in using its assets to generate profits. Increased revenue then increases the company's profits, and the profits generated tend to be subject to tax, therefore the tendency for companies to engage in tax planning also increases [3].

The leverage factor is seen from the size of the company's debt to pay off its loans. Debt will incur interest expenses, so companies prioritize their debt, therefore tending to engage in tax planning [4]. The third factor is capital intensity, which describes the amount of capital a company allocates to fixed assets to generate sales. The more fixed assets a company has, the lower its tax expenses will be due to the depreciation costs incurred from the use of those fixed assets. Company management utilizes these depreciation costs to minimize the company's tax burden [1].

Company size describes the size of a business entity. With its large operational scale, large companies sometimes attract attention because of the profits they receive. The larger the company, the higher the tax payments tend to be. Therefore, company managers are considered to want to act compliantly and be more open in presenting financial reports. Large companies usually have competent employees who specialize in taxation. [5]. This study was conducted to re-examine the influence of profitability, leverage, and capital intensity on tax planning, moderated by company size, by changing the sub-sector in the real estate company in 2022-2024. The key variables in this study include Profitability measured by Return on Assets (ROA), Leverage measured by Debt to Equity (DER), Capital Intensity measured by Capital Intensity (CAPIN), Tax Planning measured by Cash Effective Tax Rate (CETR), and company size based on total assets. The benefit of this research is that companies in Indonesia

will comply with tax payments on time, so that the income received can be maximized and allocated for the benefit of the Indonesian state and society.

Jensen, C Meckling, (1976) explains that agency theory is a concept that describes the relationship between owners (principals) and other parties (agents) in running a company's activities. Agency theory is used in this study because business owners (principals) as capital contributors want to increase the value of company shares, while management (agents) want to be compensated for their performance in managing the company [6]. Therefore, companies try to minimize their tax burden through tax avoidance, especially companies with high profitability, as the taxes they pay are also high, so companies will do tax planning. Likewise, the higher the leverage, the higher the interest expenses that must be paid. and high capital intensity also affects tax payments because it will pay depreciation on its assets, thereby reducing income. The size of the company will also anticipate reducing the tax costs to be paid. As stated by [7] [8] [9] [10].

Profitability is a company's competence in generating profits from assets, sales of goods and services. From this level of profit, companies can assess the extent of their success [8]. Profitability ratios can also be used to assess the effectiveness of company management in implementing operational strategies. When successful, revenue will increase, so profitability can be assessed using ROA. According to [11], an ROA value with an average of 30% is considered a good and efficient financial performance indicator. Profitability is used to calculate income by dividing after-tax profit by total company income. If profitability is high, the tax costs paid will also be high. Therefore, companies will strive to minimize their tax obligations to obtain optimal net profit [6] [12].

Every company in the operation of its business activities certainly requires capital to carry out operational activities. The larger the company, the greater the capital required [13]. Therefore, companies finance their operations not only through capital but can also be assisted by using debt to facilitate their business activities [8]. High debt means high interest expenses, which can be utilized by companies that want to reduce their outstanding liabilities by increasing their liabilities in the current period [14].

In line with the research [15], it explains that companies with large amounts of debt have greater risks, so the indicator to measure the leverage ratio is the Debt to Equity Ratio (DER). In research using DER [16]. Capital invested by purchasing fixed assets that will increase a company's production quantity. When the value of assets increases, the depreciation expense of fixed assets will also increase. This will reduce profits, resulting in lower tax expenses [17]. The level of capital intensity is measured through CAPIN, which compares total net fixed assets divided by total assets [5].

Company size is divided into three categories: large

companies, medium companies, and small companies [17]. Company size refers to how small or large a company is, which can be measured based on various factors, such as sales volume, number of assets, and others [7]. The size of a company's assets can be used to assess the size of its capital, which in turn determines the amount of production. Therefore, an increase in sales will also increase cash flow, and the larger the company, the more it will be monitored by the government [18]. As explained by [19], a company is a taxpayer. The larger the company, the greater its tax obligations and the stronger the factors that can lead to tax avoidance.

Tax planning is an action taken by a company to reduce its costs within the bounds of the law [20]. Tax planning is divided into two types, namely legal and illegal. Legal tax planning means reducing taxes in a lawful manner, while illegal tax planning means reducing taxes in a manner that violates the law [7]. Therefore, tax planning is a strategy that has been planned to reduce the tax burden with the aim of obtaining higher profits. This is the opposite for the state because it can reduce state revenue. So, you can use the Cash Effective Tax Rate, which is calculated by dividing the total tax payment by the profit before tax, and the special corporate tax rate is 22%. If it is below 22%, it is considered planning, and if it is more than or equal to 22%, it is considered safe with no tax planning.

2. Research Method

Tax avoidance research is measured using the Cash Effective Tax Rate (CETR) as a measure of the ratio of total cash tax payments to pre-tax profits [5]. Return on Assets (ROA) is used as an indicator to measure profitability, which is calculated by comparing net profit after tax to the company's total assets [3]. Furthermore, the Debt to Equity Ratio (DER) is used as an indicator to measure leverage, by dividing total short-term and long-term debt by total equity. Another independent variable is the Capital Intensity, measured through (CAPIN), which is calculated by comparing total net fixed assets divided by total assets [5], dividing total assets by sales [17]. In addition, company size as a moderating variable is measured using total assets or natural logarithm (Ln) [21].

This study uses a quantitative approach with the aim of examining the effect of profitability, leverage, and capital intensity on tax planning, as well as the role of company size as a moderating variable. The data used is sourced from the financial reports of companies listed on the Indonesia Stock Exchange (IDX) in the real estate sector during the period 2022–2024. The research sample consisted of 37 companies that met certain criteria for 3 years, resulting in a total of 111 samples. Data analysis in this study used statistical software, starting with descriptive statistical analysis. Next, model testing was carried out, namely the Chow test, Hausman test, and Lagrange Multiplier (LM) test. After the appropriate model was determined, classical assumption testing and coefficient of determination

testing were conducted. For hypothesis testing as inferential analysis, MRA or interaction testing was used. The aim was to improve the relationship between the dependent and independent variables by considering company size as a moderating variable. Next, the conceptual framework in Figure 1.

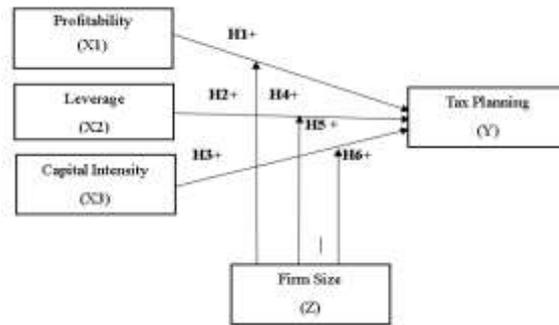


Figure 1. Conceptual framework

3. Result and Discussion

Table 1. Descriptive Statistics Test

	Y	X1	X2	X3	Z
Mean	0.538110	0.039903	0.567846	0.068948	28.164127
Median	-0.140064	0.028676	0.475492	0.049908	28.09362
Maximum	28.29645	0.188966	2.729487	0.268330	31.96206
Minimum	-1.955193	-0.005501	0.002286	0.000193	-1.865911
Std. Dev.	4.655076	0.039463	0.431795	0.060602	5.152417
Skewness	5.786090	1.737673	1.460478	0.998264	-4.911968
Kurtosis	34.67440	6.610552	7.388695	3.005336	28.33925
Jarque-Bera	5259.471	116.1528	126.5227	18.4395	3422.890
Probability	0.000000	0.000000	0.000000	0.000099	0.000000
Sum	59.73022	4.429240	63.03086	7.653237	3126.234
Sum Sq. Dev.	2383.670	0.171305	20.50917	0.533404	2920.214
Observations	111	111	111	111	111

According to the findings of descriptive statistical tests conducted with Eviews on 111 samples, descriptive statistics reveal that the dependent variable (Y), namely tax planning, obtained a minimum value of -1.955193 generated by Kawasan Industri Jababeka Tbk. In 2022, it reached a maximum of 28.29645, produced by Bhuwanatala Indah Permai Tbk. in 2023. The average annual tax planning rate is 0.538110, with a standard deviation of 4.655076, indicating that the majority of companies are at a certain level, so that some companies have a much higher tax planning value than others.

The profitability variable (ROA) can obtain a minimum value of -0.005501 generated by Bima Sakti Pertiwi Tbk. in 2022 to a maximum of 0.188966 generated by Star Pacific Tbk in 2023. The average profitability level is 0.039903, with a standard deviation of 0.039463. This indicates that the majority of companies in the sample have a relatively low level of profit-generating ability. Therefore, the standard deviation value, which is not too far from the average, shows that the data distribution is relatively stable, although there are still variations between companies. Thus, the level of profitability between companies is still within reasonable limits.

The leverage variable (DER) obtained a minimum value of 0.002286, which was generated by Royalindo Investa Wijaya Tbk. in 2022, and a maximum value of 2.729487, which was generated by Pantai Indah Kapuk

Dua Tbk. in 2022. The average leverage ratio is 0.567846, with a standard deviation of 0.431795. This indicates that the majority of companies use debt in a significant proportion of their funding structure. The standard deviation, which is still within a reasonable range, indicates that the data distribution is relatively controlled. The capital intensity variable (CAPIN) obtained a minimum value of 0.000193, produced by Fortune Mate Indonesia Tbk in 2022, to a maximum of 0.268330, produced by Wulandari Bangun Laksana Tbk in 2023. The average capital intensity level is 0.068948, with a standard deviation of 0.069642. This indicates that the relatively small average capital intensity means that most companies have a fixed asset proportion that is not too large compared to their total assets. With a standard deviation value close to the average, there is variation between companies, and the level of dispersion is still fairly stable.

The company size variable (Z) obtained a minimum value of -1.865911 produced by Bhuwanatala Indah Permai Tbk. in 2023 to a maximum of 31.96206 produced by Bumi Serpong Damai Tbk. in 2024. The average company size is 28.16427, with a standard deviation of 5.152417. This indicates that the average company size value shows that most companies in the sample are classified as companies with fairly large asset scales. However, the relatively high standard deviation indicates that there are significant differences in size between companies. This means that there is considerable variation in company size in the research sample. Next Hipotesis on Table 2.

Table 2. Hipotesis

Hipotesis	Coefficient	Std. Error	t-Statistic	Prob.	Sig	Hasil
C	0.407497	0.019746	20.63664	0.0000		
H1	4.589964	0.261199	17.57269	0.0000	0,0000(<0,05)	Diterima
H2	-0.203117	0.013853	-14.66190	0.0000	0,0000(<0,05)	Diterima
H3	0.910815	0.221282	4.116086	0.0001	0,0001(<0,05)	Diterima

Based on the results of the T-test (partial) in this study, it can be seen that profitability (X1) has a t-statistic of 17.57269 with a probability value of 0.0000 < 0.05, so in this study, profitability (X1) has a significant effect on tax planning (Y). For the leverage variable (X2), it has a t-statistic of -14.66190 with a probability value of 0.0000 < 0.05, so in this study, leverage (X2) has a significant effect on tax planning (Y). For the third variable, capital intensity (X3), the t-statistic value is 4.116086 with a probability value of 0.0001 < 0.05, so in this study, capital intensity (X3) has a significant effect on tax planning (Y). Next Moderated Regression Analysis (MRA) on Table 3.

Table 3. Moderated Regression Analysis (MRA)

Hipotesis	Coefficient	Std. Error	t-Statistic	Prob.	Sig	Hasil
C	0.394217	0.033151	11.89156	0.0000		
H1	3.613523	6.544573	0.552141	0.5827		
H2	0.199728	0.714858	0.279395	0.7808		
H3	0.157075	1.438380	0.109203	0.9134		
H4	0.085244	0.227211	0.155114	0.8772	0,8772(>0,05)	Ditolak
H5	-0.013007	0.023374	-0.356485	0.5797	0,5797(>0,05)	Ditolak
H6	0.023512	0.052651	0.446563	0.6566	0,6566(>0,05)	Ditolak

Based on the results of Moderated Regression Analysis

in this study, it can be seen that the interaction variable moderated by company size, profitability moderated by company size (X1Z) has a t-statistic value of 0.155114 with a probability value of 0.8772 > 0.05, so in this study, company size does not strengthen profitability (X1) with tax planning (Y). For the leverage variable moderated by company size (X2Z), it has a t-statistic value of -0.556485 with a probability value of 0.5797 > 0.05, so in this study, company size does not strengthen leverage (X2) on tax planning (Y). For the variable of capital intensity moderated by company size (X3Z), the t-statistic value is 0.446563 with a probability value of 0.6566 > 0.05, so in this study, company size does not strengthen capital intensity (X3) on tax planning (Y). Next Fixed Effect Model on Table 4.

Table 4. Fixed Effect Model

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	2.621.818	0.733237	3.575.677	0.0006
X1	4.294.070	0.375820	1.142.387	0.0000
X2	-0.211753	0.010879	-1.946.511	0.0000
X3	0.484098	0.379254	1.276.446	0.2060
Z	-0.076984	0.026333	-2.945.817	0.0044

The selection of estimation methods shows that the best method used in this study is the Fixed Effect Model (FEM). The FEM method is calculated using the panel least squares (PLS) method, also known as the Panel EGLS method, using Cross-section Weights. Therefore, the panel data regression is re-analyzed using the FEM method calculated with PLS. Next Normality Test on Table 5.

Table 5. Normality Test



The normality test uses the Jarque Bera test. In this study, the p-value is 0.069633, which is above 0.05, meaning that the data is normally distributed or the normality assumption is met. As stated by [22] [23] [24], state that if the probability value is > 0.05, then the data is normally distributed. Next Multicollinearity Test on Table 6.

Table 6. Multicollinearity Test

	X1	X2	X3	Z
X1	1,00	-0,24	0,01	0,20
X2	-0,24	1,00	-0,11	0,05
X3	0,01	-0,11	1,00	-0,23
Z	0,20	0,05	-0,23	1,00

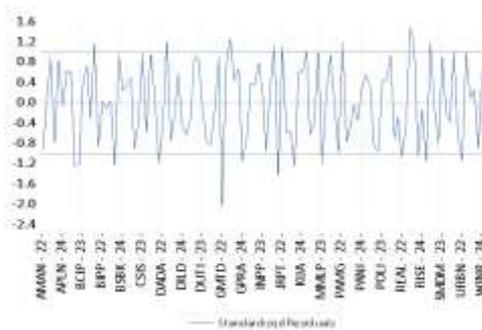
Multicollinearity testing uses a correlation matrix between independent variables. In this study, the correlation coefficients of all variables were < 0.9, which means that the model did not experience multicollinearity. As stated by [25] [26], if the correlation value is less than 0.9, it means that there are no signs of multicollinearity. Next Autocorrelation test on Table 7.

Table 7. Autocorrelation test

Durbin-Watson stat	2.730413
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The autocorrelation test uses selected variable regression, namely fixed effect, or called panel EGLS cross section weights, by looking at the Durbin Watson results. If the Durbin Watson value is $1 < DW < 3$, then there is no autocorrelation. therefore, in this study, there is no autocorrelation. As stated by [27] [23], if the DW value is less than 1 and 3, then there is no autocorrelation. Next Heteroscedasticity Test on Table 8.

Table 8. Heteroscedasticity Test



The numbers on the left side of the graph, ranging from 1.6 to -2.4, indicate the magnitude of the residuals, or the difference between the actual values (real data) and the values predicted by the regression model. Below that are the company codes and year names, so it can be explained that the further away from 0 the number is, the greater the error. Therefore, the processed data does not form a specific pattern and is still around 0, so the data passes the heteroscedasticity test. The heteroscedasticity test using the standard residual regression graph was conducted by combining the independent and dependent variables. The results of the graph show that the residuals are randomly scattered around zero and do not form a specific pattern. Therefore, it can be concluded that the regression model does not experience heteroscedasticity problems, as stated by [28]. Next Coefficient Determination on Table 9.

Table 9. Coefficient Determination

R-squared	0,999963
Adjusted R-squared	0,999942

The coefficient of determination test in this study used Adjusted R-Squared, which yielded a value of 0.999942 or 99.42%. This means that profitability, leverage, and capital intensity have a significant

simultaneous impact on tax planning of 99.42%. Meanwhile, the remaining 0.58% has an influence outside the independent variables of this study, and is similar to the study [29]. which states that if the coefficient of determination value is closer to 1, then the independent variables provide almost all the information needed to predict the dependent variable. Therefore, the result of 99.42% can be interpreted as profitability, leverage, and capital intensity moderated by company size contributing jointly to tax planning. Next Simultaneous Test (F) on Table 10.

Table 10. Simultaneous Test (F)

F-statistic	47387.92
Prob(F-statistic)	0.000000

This F statistical test is used to test whether the regression model has a simultaneous significant or insignificant effect. The F statistical p-value obtained a value of 0.000000, which is less than 0.05, so it can be concluded that profitability, leverage, and capital intensity have a significant effect on tax planning, and as stated [30], if the probability value is < 0.05, then the analysis model is considered feasible. According to the results of the moderated regression analysis, the equation model between variables can be formed as follows: $Y = 0.394217 + 3.613525 * X1 + 0.199728 * X2 + 0.157075 * X3 + 0.035244 * X1Z - 0.013007 * X2Z + 0.023512 * X3Z + [CX=F]$. The constant value in this study is 0.394217, indicating that when all independent variables are zero, the tax planning value (Y) is estimated to be 0.394217. The profitability variable (X1) value is 3.613525, which means that every one unit increase in profitability will decrease tax planning by 3.613525. The value of the leverage variable (X2) is 0.199728, where each increase of one unit of leverage increases tax planning by 0.199728. The value of the capital intensity variable (X3) is 0.157075, where each increase of one unit of capital intensity will increase tax planning by 0.157075.

The interaction between the independent variables and the moderating variable of company size also shows a significant effect. The interaction between profitability and company size has a positive coefficient of 0.035244, which means that company size strengthens the positive effect of profitability on tax planning. The interaction between leverage and company size has a coefficient value of -0.013007, which means that company size weakens the negative effect on tax planning. Capital intensity and company size have a coefficient of 0.023512, which shows that company size strengthens the positive effect of capital intensity on tax planning.

The results of partial testing or T-tests in this study indicate that the profitability variable has a significant effect on tax planning, with a probability value of $0.0000 < 0.05$. The profitability regression coefficient value of 4.589964 indicates that the relationship is statistically significant. These findings are consistent with the initial hypothesis proposed in the study, which states that companies with high profitability tend to

have a greater opportunity to avoid taxes because the higher the profitability, the higher the tax burden, therefore companies tend to engage in tax planning. Therefore, H₁ in this study is accepted.

In the context of this study, profitability has a positive effect on tax planning, so it can be concluded that if a company's profits are large, it will also generate large profits, and when the profits obtained are large, the company must also pay large taxes. Therefore, companies tend to engage in tax planning because they want to maintain profits [4]. The results of this study reinforce the findings of previous studies according to [3], namely that profitability has a positive effect on tax planning. Based on the results of partial testing or T-tests in this study, the leverage variable was proven to have a significant effect on the level of tax planning, with a probability value of $0.0000 < 0.05$. The regression coefficient value of -0.203117 indicates that every increase in leverage or the proportion of company debt will also increase the deferred interest expense. In other words, the higher the company's dependence on debt financing, the greater the interest expense, therefore the company tends to engage in tax planning, thus H₂ in this study is accepted.

These findings can be explained by the fact that high leverage means that the interest expense paid by the company is also large, so the company tends to engage in tax planning because it wants to maintain its profits [31] [32]. The results of this study reinforce the findings of previous studies according to [33] [3], namely that leverage has a negative effect on tax planning. The results of the partial test or T-test in this study prove that capital intensity has a significant effect on tax planning, with a probability value of $0.0001 < 0.05$. The regression coefficient value of 0.910815 shows that the relationship is statistically very strong. These findings are consistent with the initial hypothesis proposed in the study, which states that companies with high fixed assets tend to have greater opportunities to avoid taxes through depreciation mechanisms. Therefore, H₃ in this study is accepted.

This study explains that if capital intensity has a positive effect on tax planning, then the higher the assets, the higher the depreciation, which can be used to legally reduce taxable income. Thus, companies with a large proportion of fixed assets tend to utilize depreciation as one of their tax planning strategies, thereby contributing to an increase in the level of tax planning [34]. The results in this study reinforce the results of previous studies according to [35] [36], namely that capital intensity has a positive effect on tax planning. The results of the partial test or T-test in this study show that company size cannot moderate profitability on tax planning, because the probability value of $0.8772 > 0.05$. The regression coefficient value shows 0.035244 , which is not statistically strong enough to be considered significant. These findings are not in line with the initial hypothesis proposed in the study; therefore, H₄ in this study is rejected.

These findings indicate that company size cannot

moderate the relationship between profitability and tax planning, so it can be concluded that the size of a company's assets does not significantly affect the relationship between profitability and tax planning, based on its profits [37] [38]. The results of this study reinforce the findings of previous studies according to [39] [40], namely that company size cannot strengthen profitability in relation to tax planning. The results of partial testing or T-test in this study show that company size cannot moderate leverage on tax planning, with a probability value of $0.5797 > 0.05$. The regression value shows -0.013007 , which is not statistically significant. These findings are not in line with the initial hypothesis proposed in the study; therefore, H₅ in this study is rejected.

These findings indicate that company size cannot significantly moderate the relationship between leverage and tax planning [41]. It can be concluded that the size of a company's assets cannot significantly moderate the relationship between leverage and tax planning based on its debt [28]. The results in this study reinforce the results of previous studies according to [3], namely that company size cannot moderate leverage on tax planning. The results of the partial test or T-test in this study prove that company size does not moderate capital intensity on tax planning, because the probability value is $0.6566 > 0.05$. The regression coefficient value shows 0.023512 , which is not statistically strong enough to be considered significant. These findings are not in line with the initial hypothesis proposed in the study; therefore, H₆ in this study is rejected.

These findings indicate that company size cannot moderate the relationship between capital intensity and tax planning. Thus, it can be explained that the size of a company's assets does not significantly moderate tax planning based on its assets [35]. Therefore, large and small companies show relatively similar tendencies in utilizing capital intensity related to tax planning practices [35]. The results of this study reinforce the results of previous studies, namely according to [42], that company size can weaken capital intensity on tax planning but not significantly.

4. Conclusion

Based on the results of the research conducted, it was concluded that the purpose of this study was to analyze the effect of profitability, leverage, and capital intensity on tax planning moderated by company size in real estate companies listed on the Indonesia Stock Exchange from 2022 to 2024. Based on the research results, profitability has a significant positive effect on tax avoidance, leverage has a significant positive effect on tax avoidance, and capital intensity has a significant positive effect on tax avoidance. The moderating variable of company size cannot strengthen the relationship between profitability and tax avoidance, company size cannot strengthen the relationship between leverage and tax avoidance, company size cannot strengthen the relationship between capital intensity and tax planning, and only 7 real estate

companies or 21 samples from 2022-2024 are not indicated to be doing tax planning because they are more than 22%, while the remaining 30 companies or 90 samples were assessed to be indicated as less than 22%, thus tending to engage in tax planning. The limitations of this study include the small number of companies that meet the sample criteria in the real estate sector on the Indonesian stock exchange during the 2022–2024 period, and the limited references related to tax planning, especially for real estate companies. However, it is hoped that the objectives of this study will not diminish the results, and the independent variable used to assess the effect on tax avoidance in this study is only 99.42%, while the remaining 0.58% of tax planning can be assessed by other variables. As a suggestion for further research, it may be possible to add variables that have an impact on other forms of tax avoidance beyond the variables in this study. The results of this study have important implications for company management, particularly in terms of strategic decision-making related to tax management. The finding that profitability has a positive effect on tax avoidance shows that companies with high profitability tend to engage in tax planning. Meanwhile, the positive relationship between leverage and tax avoidance shows that companies use debt for operational activities and therefore tend to engage in tax planning. Then, the positive relationship between capital intensity and tax avoidance shows that managers are more careful in managing fixed assets as part of their tax planning strategy. Therefore, management must balance tax efficiency and compliance so as not to cause legal and reputational risks in the future. Good tax management is not only a matter of cost efficiency, but also of maintaining business sustainability through responsible fiscal compliance.

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