Effect of Tax Facilities, Leverage, Transfer Pricing, Fixed Assets Intensity, and Political Power on Tax Management

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***Abstract*—** Tax management is a continuous concern. In addition to the fact that the corporation aims to maximize profits by minimizing its tax burden, tax management measures arise because the government and the company have different interests. The government seeks to maximize state revenue through taxation, whereas businesses perceive taxes as a burden that reduces earnings. This study seeks to comprehend and analyze the impact of tax incentives, leverage, transfer pricing, fixed asset concentration, and political power on tax management. As many as eighty organizations in the property and real estate industry sector are utilized by the populace in this study between 2017 and 2020. Purposive sampling was used to acquire a sample of sixteen organizations and sixty-four research data, with as many as twenty-four outlier data units for analysis. This study's data processing technique method employs descriptive statistical data analysis, the classical assumption test, multiple linear regression analysis, and hypothesis testing utilizing the partial significant test (t-test) with IBM SPSS version 25 software. The results demonstrate that tax facilities and political influence have a negative impact on Tax management. In addition, leverage and transfer pricing have a considerable positive influence on tax management, although the intensity of fixed assets has no significant negative effect.

***Keywords*—** Fixed Assets Intensity; Leverage; Political Power; Tax Facility; Tax Management; Transfer Pricing.

I. INTRODUCTION

Tax management is a continuous concern. This is due to the fact that many businesses continue to engage in tax management in order to minimize their tax burden and increase their earnings. In 2020, tax revenue statistics indicates that the state collected IDR 1,019.56 trillion in taxes till December 23, 2020. With an Annual SPT compliance rate of 76.86%, the realized value of tax revenue is 85.65% of the target of Presidential Regulation 72 of 2020 of Rp 1,198.8 trillion. The tax revenue data for 2021 up till the end of October 2021 is IDR 953,6 trillion, or 77.56% of the objective. On October 31, 2021, tax revenues of Rp 205.78 trillion, or 95.73 percent of the growth target of 24.47%, will be realized due to exceptionally strong customs revenues in 2021. Based on these numbers, it is evident that tax collections have not met the target because corporations continue to take the majority of tax management steps to minimize their tax burden. The aim was met in 2021, but only due to exceptionally high customs receipts.

At PT Karya Lestari, property transactions for the Bukit Semarang housing development were subject to the tax management case for property and real estate enterprises. A mansion of distinction is sold for Rp 7.1 billion. The notarial document, however, recorded Rp 940 million. The difference in meaning is Rp 6.1 billion. In the sale transaction, the tax liability is IDR 610 million, calculated as 10% of IDR 6.1 billion. In addition, there is an additional deficiency, namely the final 300 million PPh. The entire tax deficit is 910 million IDR. If PT Karya Lestari sells hundreds of luxury home units, a single housing project will result in a deficit of tens of billions of rupiah.

This study's challenges include determining the impact of tax incentives, leverage, transfer pricing, fixed assets intensity, and political influence on tax management. Previous researchers [1]also identified these issues, demonstrating that tax facilities have a large favorable effect on the effective tax rate, corroborating the findings of Steven et al. [2], [3]. Previous research [2]demonstrated that leverage has a beneficial influence on the effective tax rate, which is consistent with studies [4]and [3]with the same conclusion. The effective tax rate is affected negatively by research [4] including the findings of associated transactions. According to research [5], the transfer of a special connection affects the effective tax rate. Previous research [1]demonstrates that the intensity of fixed assets has no substantial effect on tax management or effective tax rates, which is supported by research [2]and [6]that demonstrates the same. Previous research [6]demonstrates that political power has no bearing on Tax management. This analysis contradicts research [7]demonstrating that politics positively impacts the effective tax rate. This study aims to determine and investigate the impact of tax facilities, leverage, transfer pricing, fixed assets intensity, and political power on tax management.

This study utilizes a collection of similar past studies with contradictory findings. In addition, the use of political power variables in Indonesia has not been studied extensively, and the purpose of this study is to update the measurement of political power by comparing the number of politically connected boards of directors and commissioners to the total number of directors and commissioners.

The agency theory investigates the connection between principals and agents with opposing interests. The agency theory explains how a company's management minimizes taxes by growing debt. The agency theory is also utilized to comprehend how corporations carry out tax management operations by investing cash in the form of fixed assets and managing finances. Due to the high transfer price, transfer pricing activities can also minimize the tax burden and the effective tax rate.

Compliance theory is utilized to comprehend the conduct of taxpayers in carrying out their tax obligations while getting extrinsic incentives from the government, especially tax facilities to business actors in order to lessen their tax burden.

The political power theory describes the downward distribution of political power. The CEO is viewed as having responsibility over decision-making, thus he or she strives to conduct effective tax management activities so as not to harm the company in the future, while remaining mindful of existing tax legislation.

II. LITERATURE STUDY

The Effect of Tax Facilities on Tax Management

Tax facilities are assistance provided to business actors to assist them in fulfilling their tax duties so as not to burden business players. Companies that receive favorable tax treatment will be more compliant with tax regulations in order to keep the favorable tax treatment. According to compliance theory, corporations that obtain tax incentives resulting from extrinsic motivations, in which the government gives incentives via tax incentives, will be more compliant with tax regulations. The government's support of the use of tax incentives is intended to make corporate actors accountable for meeting their commitments, and intense taxation can reduce tax management actions since companies that receive tax incentives tend to do less tax management actions. This research hypothesis is backed by prior studies [1]–[3], which indicate that tax facilities have a considerable favorable impact on effective tax rates. The researcher's hypotheses are as follows, based on the description already provided:

H1: Tax facilities have a significant negative effect on tax management

Effect of Leverage on Tax Management

Leverage indicates the proportion of the magnitude of a company's debts. Due to the interest costs paid by debt, which can be deducted for tax purposes, a company's tax burden may be decreased as a result of its use of leverage. The greater the level of debt, the smaller the tax burden and effective tax rate. Agency theory explains how management (agents) manages their company's funds to minimize taxes by increasing the company's debt, hence increasing interest expense and reducing the company's tax burden. Research [2]–[4], [8]–[12]demonstrates that leverage has a favorable influence on effective tax rates. Based on the explanation of the description, the author's provisional hypothesis is:

H2: Leverage has a significant positive effect on tax management

Effect of Transfer Pricing on Tax Management

Transfer pricing is an act of manipulating prices in an unjustified manner, resulting in price increases or decreases. Transfer pricing is a component of tax management that can be utilized to decrease a company's tax burden due to the fact that price engineering resulting from transfer pricing can reduce the tax object and transfer pricing can alter the effective tax rate. According to agency theory, the issue arises because the management (agent) want large profits and hence interprets the tax burden as a profit deduction, which will result in low profits. Using transfer pricing strategy, management seeks to minimize the tax burden in accordance with its desires. This study's hypothesis is validated by empirical evidence [4] demonstrating that connected transactions have a negative impact on the effective tax rate. Based on the previously mentioned description, the researcher's tentative hypothesis is:

H3: Transfer pricing has a significant positive effect on tax management

Effect of Fixed Assets Intensity on Tax Management

Due to the depreciation load associated with the company's fixed assets, corporations can leverage the intensity of their fixed assets to reduce their tax burden. Depreciation of fixed assets decreases the company's earnings; hence, the company's tax will reduce proportionally to its profit. Agency theory demonstrates that managers can use depreciation expenses to decrease the company's tax burden. According to agency theory, managers as agents will want to avoid taxes by investing idle funds in fixed assets that may be utilised to minimize the tax burden and enhance corporate earnings. This study's hypothesis is backed by studies [1], [2], [6], [13] demonstrating that the intensity of fixed assets has no measurable impact on tax management or the effective tax rate. Based on this explanation, the following is the provisional hypothesis:

H4: Fixed assets intensity has no significant positive effect on tax management

The Influence of Political Power on Tax Management

Companies with political connections get preferential treatment, such as getting low tax audit benefits, so companies are more aggressive in taking tax management actions. According to the point of view of political power theory that power can control the situation. Downward power controlled by managers can lead to tax management actions where managers have a direct role in decision making, including tax management efforts to maximize profits by having political connections. The hypothesis in this study is supported by research [6] which shows that political power has no relationship with tax management. Based on the description described above, the provisional hypothesis is as follows:

H5: Political power has no significant positive effect on tax management

III. METHOD

This research employs a quantitative technique, namely the research method based on positivism's fundamental philosophy, to examine the population and samples whose data are collected using research instruments [14]. The research data relies on secondary sources. Secondary data is collected from a second party via intermediary medium such as already existing books, records, documents, or archives. This study makes use of time series data spanning four years (2017 - 2020).

The data is taken from the annual reports of Indonesia Stock Exchange-listed property and real estate companies (IDX). The sampling technique employed a form of purposive sampling to determine the companies to be used as samples. Data processing employed descriptive statistical analysis, the classical assumption test, multiple linear regression analysis, and hypothesis testing with a partial significance test (t test). This study employs IBM SPSS version 25 for data processing.

Population and Research Sample

This study includes all property and real estate businesses listed on the Indonesia Stock Exchange (IDX) between 2017 and 2020. In 2017 - 2020, 80 property and real estate businesses are listed on the Indonesia Stock Exchange (IDX). This sampling employs a non-probability sampling method, specifically purposive sampling.

The method of purposive sampling utilizes a number of specified criteria to identify the study sample in accordance with the research objectives. The sample benchmarks consist of (1) property and real estate companies listed on the Indonesia Stock Exchange (IDX), (2) property and real estate companies not listed on the Indonesia Stock Exchange (IDX) in 2017 – 2020, (3) property companies and real estate that did not disclose detailed annual reports and financial reports in 2017 – 2020, and (4) property and real estate companies with a deficit during the period of 2017 – 2020. Based on the sample identification technique outlined above, there are 16 property and real estate businesses listed on the Indonesia Stock Exchange between 2017 and 2020 that comply with the sampling requirements and 64 research units. Based on the sample identification procedure mentioned above, there is an initial data screening process in which 24 outlier data units of analysis with extreme values are identified.

IV. RESULTS AND DISCUSSION

The population of property and real estate businesses listed on the Indonesia Stock Exchange (IDX) in 2017-2020 is utilized in this study. The firm's annual report published on the website of the Indonesia Stock Exchange (IDX) and the official website of the observation company were utilized to compile this study's data.

During the research period, the population comprises 80 businesses. The sampling strategy utilized a purposive sampling method, and as a consequence, the sample consisted of 16 property and real estate businesses with 64 units of analysis. Of the 64 units of analysis used, there were only 40 data, with the remaining 24 data being outlier data.

Result

Using the mean, maximum, minimum, and standard deviation values, descriptive statistics are utilized to provide interpretations for the sample data of each research variable.

***Table 1:** Descriptive Statistical Results*

N		Minimum	Maximum	Mean	Std. Deviation
Tax Management	40	,000365	,061274	,01911992	,015980871
Tax Facility	40	,090909	,181819	,15454547	,042190498
Leverage	40	,041537	,613309	,36287052	,172832987
Transfer Pricing	40	,000000	,005565	,00116275	,001664788
Fixed Assets Intensity	40	,004561	,154469	,04675334	,040545731
Political Power					
Valid N (listwise)	40	,000000	,222222	,11449997	,057462597
	40				

Source table: secondary data processed using IBM SPSS Ver. 25, 2022

Based on descriptive statistics, Tax management demonstrates a minimum value of 0.000365. The maximum value of the variable for tax management is 0.061274. The average sample size of tax management companies is 1.9%. The tax management variable has a standard deviation of 0.015980871 and a mean of 0.01911994. The minimal value for the tax facility variable is 0.090909. The highest allowable value for the tax facility variable is 0.181819. The standard deviation is 0.15454547. The value of the tax facility variable's standard deviation is 0.042190498. The minimal value for the leverage variable is 0.041537. 0.613309 is the maximum value of the leverage variable. The average value of the leverage variable is 0.36287052 and its standard deviation is 0.172832987. The minimum transfer pricing value is 0.000000. The maximum value of the variable for transfer price is 0.005565. The standard deviation is 0.00116275. The value of the transfer pricing variable's standard deviation is 0.001664788. The minimum intensity of fixed assets is 0.004561. The maximum intensity of fixed assets is 0.154469. The mean is 0.04675334. The fixed assets intensity variable has a standard deviation of 0.040545731. Minimum value of political power is 0.000000. The maximum value of the variable representing political power is 0.222222. The mean is 0.11449997. The value of the political power variable's standard deviation is 0.057462597. The political power variable data exhibits a homogenous data distribution, which indicates that a portion of the data is close to the mean and that the political power variable data can be considered to be of high quality.

This study employs a normally distributed test and a test of normalcy. The Kolmogorov-Smirnov (K-S) test utilized non-parametric statistics to detect the normalcy test.

***Table 2:** Normality test results (Kolmogorov-Smirnov)*

Unstandardized Residual		
N		40
Normal Parameters a,b	Mean	,0000000
	Std. Deviation	,01159667
Most Extreme Differences	Absolute	,116
	Positive	,116
	Negative	-,095
Test Statistic		,116
Asymp. Sig. (2-tailed)		,190c
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		

Source table: secondary data processed using IBM SPSS Ver. 25, 2022

Using SPSS version 25 and 40 research units, the Kolmogorov-Smirnov normality test demonstrated that the research data were normally distributed with a significance level greater than 5%, namely 0.190 > 0.05. It indicates that the study data pass the normalcy test and can be used for regression testing based on the data processing. The multicollinearity test was used to determine whether the independent variables in the regression model were correlated.

Table 3: *Multicollinearity Test Results*

Model		**Collinearity Statistics**	
		Tolerance	VIF
1	Tax Facility	,833	1,202
	Leverage	,608	1,657
	Transfer Pricing	,767	1,307
	Fixed Assets Intensity	,675	1,486
	Political Power	,943	1,056
a. Dependent Variable: Tax Management			

Source table: secondary data processed using IBM SPSS Ver. 25, 2022

The findings of the multicollinearity test using 40 research units of analysis demonstrated that none of the independent variables were associated or that there were no multicollinearity symptoms, as proven by the fact that all variables had Tolerance ≤ 0.10 and VIF ≥ 10.

In this work, the autocorrelation test was conducted to investigate the linear regression model for a correlation between the confounding error in period t and the confounding error in period t-1 (previous). Test for autocorrelation using the Durbin-Watson test. The autocorrelation of the Durbin Watson test, which consists of 40 research units, indicates that the Durbin Watson value is 2.056. The comparison of the Durbin Watson value to the du value of 1.7859 and the 4-du value of 2.2141 revealed no positive or negative autocorrelation symptoms with comparison values of 1.7859 < 2.056 < 2.2141.

The heteroscedasticity test examines the regression model for an inequality in variance between the residuals of one review and another. A test for heteroscedasticity was conducted using the White test. The results of the heteroscedasticity test with the White test indicate that the regression model is free of heteroscedasticity symptoms with a calculated c2 value of 9.44. This value is calculated using the formula n x R2, where n is the number of research samples, R2 is R Square, and the c2 table is 9.488. The estimated c2 value is less than the number in the table, which is 9.44 9.488.

Analyzing the relationship between the dependent variable, tax management, and the independent variables, tax facilities, leverage, transfer pricing, fixed assets intensity, and political power, using multiple linear regression.

Table 4: *Results of Multiple Linear Regression Analysis*

Model		**Unstandardized Coefficients**		**Standardized Coefficients**	**t**	**Sig.**
		B	Std. Error	Beta		
1	(Constant)	,035	,017		3,393	,002
	Tax Facility	-,133	,051	-,345	-2,515	,017
	Leverage	,034	,017	,367	2,285	,029
	Transfer Pricing	2,865	1,366	,298	2,098	,043
	Fixed Assets Intensity	-,102	,067	-,258	-1,701	,098
	Political Power	-,077	,033	-,284	-2,218	,033
A.Dependent Variable: Tax Management						

Source table: secondary data processed using IBM SPSS Ver. 25, 2022

Multiple linear regression analysis on the constant value (a) of 0.035, the values of 1 tax facilities (-0.133), 2 leverage (0.034), 3 transfer pricing (2.865), 4 fixed assets intensity (-0.102), and 5 political power (-0.077). The partial significance test (t test) examines the association between each independent variable and the dependent variable separately. If the significance value or sig is 0.05, the partial significance test (t test) serves as the basis for decision making.

Table 5: *Significance Test Results (T-Test)*

Model		**Unstandardized Coefficients**		**Standardized Coefficients**	**t**	**Sig.**
		B	Std. Error	Beta		
1	(Constant)	,035	,017		3,393	,002
	Tax Facility	-,133	,051	-,345	-2,515	,017

	Leverage	,034	,017	,367	2,285	,029
	Transfer Pricing	2,865	1,366	,298	2,098	,043
	Fixed Assets Intensity	-,102	,067	-,258	-1,701	,098
	Political Power	-,077	,033	-,284	-2,218	,033
A.Dependent Variable: Tax Management						

Source table: secondary data processed using IBM SPSS Ver. 25, 2022

Based on the partial significance test (t test) results presented in table 4.7 According to the results of the significance test (t test), the tax facility variable has a substantial negative impact on the tax management variable. The leverage variable has a positive and considerable impact on the tax management variable. The variable pertaining to transfer pricing has a favorable impact on the variable pertaining to tax management. The variable intensity of fixed assets has no substantial detrimental influence on the variable tax management. The changing political power has a considerable negative impact on tax management.

Discussion

The tax facility variable has a significance value less than the set significance value on the tax management variable. This indicates that the tax facility factor has a considerable negative impact on tax management decisions, and that the tax facility variable can be leveraged by the corporation to reduce its tax burden. Acceptable is the initial hypothesis in this investigation. Because the average property and real estate company receives tax benefits, tax benefits have an impact on this study. The tax facility obligates the company to comply with the laws and regulations because the company desires to maintain the tax facilities it has obtained; with the tax facility, the company is exempt from taking tax management actions, thereby reducing the tax management actions of property and real estate companies. This result is consistent with compliance theory. Contributing to increased taxpayer compliance are extrinsic factors in the form of tax facilities for taxpayers. The tax facilities examined in this study have an impact on tax management because, on average, property and real estate companies obtain tax facilities and are able to utilize the government-provided tax facilities appropriately; as a result, corporate taxpayer compliance with tax regulations will increase in order to maintain adequate tax facilities [15]. The results of this study's research on the tax facility variable concur with research [2] that demonstrates that the existence of tax facilities has a significant positive effect on effective tax rates or a significant negative effect on tax management, and with research [1] that demonstrates that the tax facility has a significant positive effect on the effective tax rate or a significant negative effect on tax management. Research [3] demonstrates that tax facilities have a strong favorable effect on tax avoidance among chemical subsector companies listed on the Indonesia Stock Exchange. This finding contradicts this conclusion.

The positive leverage variable is relevant to the tax management variable with a sig value that is less than the sig value supplied. This indicates that leverage has a considerable beneficial effect on tax management decision making, which suggests that leverage might reduce a company's tax burden; hence, the second hypothesis, namely leverage's influence on tax management, can be accepted. The median sample of property and real estate firms utilizes outside funding. High debt interest expenditure is caused by the company's reliance on external financing. Before deciding to use external finance, a company often evaluates the condition of its internal funds and determines whether or not to use debt financing. By employing debt in its tax management, a corporation must use caution and forethought so as not to incur losses. Because debt incurs interest expense, it can be utilized to reduce a company's tax liability. Profitability that should be used to pay taxes but is instead used to pay debt interest. This study's findings are consistent with agency theory concerning the relationship between principal and agent. Due to a conflict of interest between the principal (government) and the agent, agency theory exists (management). The company's management desires to maximize profit by minimizing the tax burden, as the tax burden is viewed as a deduction from the company's profits, but the government seeks to generate as much revenue as possible from the tax sector. There is an agency conflict between the government and firm management due to the divergent interests. The findings of the leverage variable research in this study are consistent with research [4] demonstrating that leverage has a significant positive effect on tax management and research [2], [8], [10]–[13]. This result contradicts previous studies [3], [16]and [9]demonstrating that leverage has no impact on tax management. The transfer pricing variable has a considerable positive effect on the tax management variable with a significance value below the value indicated. This indicates that transfer pricing can be utilized as one of the tax management strategies to minimize the company's tax burden;

consequently, the third transfer pricing variable hypothesis is supported. The transfer of resources, services, or obligations between the financial reporting firm and the company with a connected relationship can be used to execute transfer pricing. Receivable transactions with linked parties will have an impact on the company's financial condition and earnings. Due to the shift of sales to receivables, the recognition of profit for sales that should have been recorded as profit for the year will be delayed. This can be utilized as a technique to reduce the tax burden of the corporation. This study examines the impact of transfer pricing because the average company undertakes sales transactions with related enterprises. This study's findings are consistent with agency theory, which demonstrates the relationship between principal and agent. This agency theory results from the disparate desires of the principle (government) and the agent (management). These divergent goals lead to agency conflicts between the government and firm management when transfer pricing is used for tax management. Research [4]confirms that transfer pricing has a considerable favorable influence on tax management or a negative effect on the effective tax rate, as demonstrated by the findings of this study. This conclusion contradicts previous study [5], [17], [18]that indicates transfer pricing outcomes have a negative impact on tax management and a good impact on effective tax rates.

The variable intensity of fixed assets does not have a negative effect on tax management with a relevance bigger than the value provided. Thus, the variable intensity of fixed assets cannot be exploited to minimize the company's tax burden, and the fourth hypothesis is rejected. Because taxation policies for depreciation of fixed assets are governed by government statutes and regulations, the intensity of fixed assets has no bearing on tax management choices. Companies using the fixed asset method in accordance with laws and regulations do not need to make a fiscal correction of depreciation of fixed assets in the calculation of tax payable because the total fiscal depreciation expense is equal to the amount of commercial depreciation expense. Consequently, the depreciation of the company's fixed assets has no effect on the total company expenses, as it is large and the small amount of fixed assets owned by the company has no effect. This study's findings are not consistent with agency theory, which states that managers as agents attempt to minimize the company's tax burden by utilizing the depreciation burden attached to fixed assets so that the manager's compensation does not decrease as a result of the company's profits being eroded by the tax burden. This analysis cannot demonstrate that the corporation can exploit the substantial depreciation expense associated with these fixed assets to reduce its tax liability. In actuality, company managers are reluctant to invest unused funds in fixed assets, therefore the depreciation expense of the firm's fixed assets cannot be used to reduce the company's tax liability. These findings are supported by studies [2], [1], and [6]demonstrating that fixed asset intensity has no impact on tax management. This study's findings contradict previous research [13]and [12]that indicates fixed asset intensity has a large negative impact on effective tax rates or a considerable beneficial impact on tax management.

The political power variable has a strong negative effect on tax management, indicating that corporations can use this variable to decrease their tax burden; hence, the fifth hypothesis is accepted. Political power influences tax management decisions because one of the company's leaders with political ties to the government can give reduced risk detection as a result of tax management measures.

Organization executives will be more committed to implementing tax management in order to regulate or reduce the tax burden of the company. The relationship of influence exists because, on average, there are one or two company leaders with political ties to the government, such as ministers or members of parliament, in property and real estate companies. Consequently, political power can be utilized by companies to carry out tax management actions. These findings are consistent with the political power theory, which states that companies with political ties to the government will receive benefits and advantages, one of which is a reduced negative effect; consequently, companies are more willing to engage in tax management practices that result in tax payments.

Companies with political ties to the government will pay lower taxes than companies without political ties. Political power theory in the research reveals that, on average, the heads of property and real estate corporations have political ties to the government, allowing the government to play an adequate role in decision making, including tax management methods. The government's involvement in the business will encourage property and real estate firms to undertake tax management and pay reduced taxes. The findings are consistent with research [7], [18]that concludes political influence has a strong detrimental impact on tax management or a significant positive impact on effective tax rates. The findings contradict previous study [6], indicating that political influence has no effect on Tax management.

V. CONCLUSION

The findings of research that had been analyzed and validated in the past led to the conclusion that tax facilities had a considerable impact, both positively and negatively, on tax management. The use of leverage results in major financial benefits when it comes to tax management. The administration of taxes can benefit significantly from the use of transfer pricing. There is no materially detrimental impact on tax management brought on by the intensity of fixed assets. The administration of taxes is significantly hampered by the influence of political power.

VI. RECOMMENDATION

Following are some recommendations made by the researcher, which are based on the findings of the research that have already been presented:

1. Companies are expected to pay more attention to and take advantage of the tax facilities provided by the government for the purpose of easing the burden of the company because the tax facilities are able to minimize the company's tax burden; 2. pay more attention to leverage because the debt owned by the company can be used by company managers to minimize taxes with the interest expense arising from the existence of debt; 3. pay more attention to and take advantage of transfer pricing. 1. Companies are expected to pay more attention to and take advantage of the tax facilities provided by the government
2. It is anticipated that the government, particularly the Directorate General of Taxes, which has responsibilities in the field of taxation, will be able to intensify tax facilities because tax facilities are able to minimize tax management actions and can increase corporate taxpayer compliance in terms of taxation. Additionally, tax facilities can either further improve supervision or create new policies related to debt owned companies in order to minimize the tax burden and minimize the company's tax management actions due to the fact that leverage. 3. Tax facilities are able to increase corporate taxpayer compliance
3. It is recommended that future researchers add research samples with industrial sectors other than the property and real estate sector. Alternatively, they can expand the object of research by adding state-owned companies with the goal of generalizing the results of the study, using other independent variables that are believed to have an effect on tax management, such as the inflation rate, auditor reputation, and corporate social responsibility. In the context of taxation for depreciation of fixed assets, which has been regulated by the government, the intensity of fixed assets has no effect on tax management because, if the company uses the fixed asset method in accordance with the legislation, there is no need to make fiscal corrections. This ensures that fiscal depreciation and commercial depreciation have the same value. It is recommended that future researchers make use of the fixed assets intensity variable, as this will help in the process of generalizing the findings of the study.

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