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THE EFFECT OF BUSINESS STRATEGIES AND ENVIRONMENTAL UNCERTAINTY ON TAX AVOIDANCE IN MANUFACTURING COMPANIES IN INDONESIA

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Abstract: This study aims to analyze the Effect of Business Strategy and Environmental Uncertainty on Tax Avoidance in companies listed on the Indonesia Stock Exchange for the period 2018-2020. The dependent variable used is Tax Avoidance, the independent variable used is Business Strategy and Environmental Uncertainty and includes five types of control variables consisting of leverage, property, plant and equipment, inventory intensity, company size and return on assets. The statistical analysis tool used in this study is SPSS 25. The results of this study indicate that prospector and defender business strategies have a significant effect on tax avoidance, while environmental uncertainty has no effect on tax avoidance.

Keywords: *Business Strategy, Prospector, Defender, Environmental Uncertainty*

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1. Introduction

One of the largest sources of income for the Indonesian state is taxes, so that the government pays great attention to taxes. Based on data from the 2018 to 2020 State Budget in the table below, it is noted that the most revenue comes from tax revenues. The largest source of income originating from tax revenues has an influence on economic growth because increasing economic growth will increase state tax revenues.

Table 1.1 Percentage of 2018-2020 State Budget Tax Revenue

Year	Reception Tax	Acceptance Not Tax	Percentage Tax revenue
2018	1,618.1 T	276.6 T	**85.4%**
2019	1,545.3 T	411.8 T	**78.96%**
2020	**1,070 T**	**563.6 T**	**65.5%**

In this table it is explained that the year before the pandemic, namely 2018 got the highest percentage and when the pandemic occurred in 2019 - 2020 there was a decrease in the percentage every year. For more than a year, Indonesia has been hit by the Covid-19 pandemic. The government is also making efforts to improve the country's economy from getting worse. One of the efforts made by the government is to increase economic activity in the form of a tax incentive program for business actors. Tax avoidance is a legal method used by taxpayers to reduce the amount of tax payments by reducing the amount of income or profit generated. Tax avoidance has several characteristics such as transactions that have no

economic value, no element of risk and pseudo transactions. While the illegal method is tax evasion, which is done by manipulation of the books such as deleting or reducing data so that tax payments are reduced. This illegal tax avoidance act is a problem for the government because the planned tax value is not in accordance with its realization so that funds for state development are hampered.

There are various cases of tax evasion that occur in companies in Indonesia. For example, the case reported by the Tax Justice Network Institute on May 8, 2019 that a tobacco company owned by British American Tobacco (BAT) had evaded taxes in Indonesia through PT Bentoel Internasional Investama Tbk which resulted in an impact on the country, suffering a loss of US $ 14 million per year. The report shows VAT has shifted some of its revenue out of Indonesia through intercompany loans and through repayments to the UK for royalties, fees and services. The government continues to maximize tax revenues for the welfare of the state and its people, such as the construction of public facilities that can be used by the Indonesian people to subsidize basic needs,

The government seeks to optimize compliance in paying taxes, while paying taxes itself is a burden for taxpayers because it reduces the income that has been received, giving rise to differences in interests. In this case, it can be related to agency theory where there is a conflict due to differences in interests between the principal and agent, namely the government and the company or taxpayer so that taxpayers or companies will tend to do tax avoidance. Because Indonesia's largest income comes from tax revenues, one of which is from companies. , then income becomes an important factor for taxpayers in making tax payments. So, every company needs to pay attention to the business strategy that is applied.

Based on the strategy typology, it states that the organization's business strategy consists of four types, namely defender, prospector, analyzer and reactor. Each type of strategy has its own characteristics, technological configurations, structures and processes that are relevant to each company's chosen market. However, it is not only business strategy that affects revenue but also uncertain environmental factors. In this era of globalization, many technologies continue to develop, increasing competition and markets cause environmental uncertainty to arise,

Business strategies tend to do more tax avoidance. But some studies such as stated that business strategy has no effect on tax avoidance. For research on environmental uncertainty, which proves that environmental uncertainty affects tax avoidance.

Based on the background of the results of previous studies, the researcher intends to compare research before the Covid-19 pandemic with the time of the pandemic, namely in 2018 - 2020 which of course will have differences, especially in environmental uncertainty variables that affect tax avoidance so that researchers want to conduct research. with the title "INFLUENCE OF BUSINESS STRATEGIES AND ENVIRONMENTAL UNCERTAINTY ON TAX AVOIDANCE IN MANUFACTURING COMPANIES IN INDONESIA"

2. Research Method

This research is based on several theories, namely Agency Theory, Contingency Theory, and Stakeholder Theory by using concepts that help the framework of this research.

2.1 Agency Theory

Agency theory is a theory that arises because of a conflict of interest between the principal and the agent. The principal is the shareholder while the agent is the manager. The principal contracts the agent to manage the company's resources. In other words, the principal

provides the facilities and funds for the company's operations. The agent is obliged to manage the resources owned by the company, besides that the agent is also obliged to account for the tasks assigned to him. While the principal has an obligation to provide rewards or duties that have been charged to the agent. Managers may act not to maximize shareholder wealth, but to maximize their own prosperity. Occurrence of Conflict of Interest.

2.2 Contingency Theory

Contingency theory is a theory of leader suitability which means adjusting the leader to the right conditions. The theory put forward by Fiedler argues that leader performance is determined by understanding the situation in which they lead. The philosophy of the contingency theory mindset is that each organization has its own characteristics and faces different problems. Therefore, this approach has the view that different situations must be faced with different leadership behaviors, and each organization must be faced with its own leadership style. Contingency theory focuses on the law of the situation (Low of the Situation). Leadership is a situation, Contingency theory in management accounting describes an attempt to identify appropriate control systems under the most appropriate conditions. In principle, management accounting practitioners always try to adapt the system to be more useful in every situation. Such an attempt to identify the most important contingency variables and assess their impact on control system design.

2.3 Stakeholder Theory

Stakeholder theory arises from the development of an understanding that companies have interested parties called stakeholders. Stakeholder theory means that every group or individual, such as an organization, does not only operate the company for its own sake, but also provides benefits to stakeholders. Every company has stakeholders which are people who own parts of the company such as shares and have an interest in what the company does so the company must give or offer something to stakeholders if it wants to remain associated with stakeholders. In Freeman & Reed's study of stakeholders, there are two meanings, namely:

1. The Wide Sense of Stakeholders
   Every organization, company or individual identified can affect the achievement of an organization's goals or be influenced by the achievement of an organization's goals.
2. The Narrow Sense of Stakeholder
   Any identified group or individual such as shareholders, creditors, employees, governments on which the organization depends for its survival. The main purpose of using stakeholder theory in companies is to maintain balance and manage relationships from differences in interests. Differences in interests can usually occur in company stakeholders who have expectations of the group but the results are different and inconsistent.

2.4 Business strategy

Before starting a business or company, it is important to prepare a business strategy so that the goals of forming a business or company can be realized to the maximum. In a sense, business strategy can be interpreted as a method or method that a company can use as a guide in helping make decisions, determine how to compete and help achieve company goals. The typology of business strategy [18] is based on efforts to adapt to technical, administrative and entrepreneurial problems. There are four types of business strategy typology, but for the

fourth type, namely prospector, defender analyzer, while reactor is a form of strategy that fails due to inconsistencies with strategy, technology, structure and processes. The three types of business strategy typologies can be described below:

1. Prospector
   Prospector has the ability to analyze environmental changes, trends and produce products in a dynamic environment so that companies that implement this strategy tend to continue to innovate, produce new products and see opportunities in the wider market. Companies tend to be more concerned with innovation in product development than higher profits. Competitors will find it difficult to know the movements of companies that implement this strategy because they tend to like change and uncertainty which makes prospector strategies have high flexibility in adapting new products.
2. Defender
   Defenders have different characteristics than prospectors because defenders tend to choose more stable and secure markets, produce goods in large volumes and don't follow trends, maintain high quality and competitive prices so that defenders are only in narrow markets and tend to be aggressive in preventing competitors from buying. enter their market. The focus of this strategy is to minimize risk and uncertainty, not to innovate and maintain the company's operational stability in order to survive in the long term.
3. Analyzer
   This strategy is a combination of prospectors and defenders, the characteristic of this strategy is that the company will conduct analysis and imitation, namely assessing products that have been successfully developed by prospectors in the market before entering a business. The purpose of this strategy is to minimize risk in order to maintain the company and also maximize profits. This strategy focuses on finding new markets or locations, producing new products by targeting new consumers as well. So that in this strategy apply technological dualism to meet the flexibility and stability of companies that implement this strategy. The reasons companies implement business strategies can be seen in the three types of strategy typologies where each strategy can help companies plan to achieve the goals of establishing a business, help companies evaluate the strengths and weaknesses of a product, market and environment. The selection of the right strategy can provide effective guidance for operational activities that can streamline work and can achieve a competitive advantage because the existence of a business strategy makes the company plan clear goals and directions.

2.5 Environmental Uncertainty

Environmental uncertainty consists of three components, namely the first is uncertainty in the market which involves a decline in consumer tastes and preferences. Second, there is uncertainty in technology that is triggered by the rapid development of new technology in the industry and the third is uncertainty in competition, namely the level of competition faced by companies in certain markets [2]. These components can cause variability in revenue growth and asymmetric information between companies and the government, as a result to managers freely reduce variability by managing income so that it can refer to tax avoidance actions.

2.6 Hypothesis Formulation

H_{1a}: Prospector's business strategy has a significant positive effect on tax avoidance
H_{1b}: Defender's business strategy has a significant positive effect on tax avoidance
H_2: Environmental uncertainty has a significant positive effect on tax avoidance

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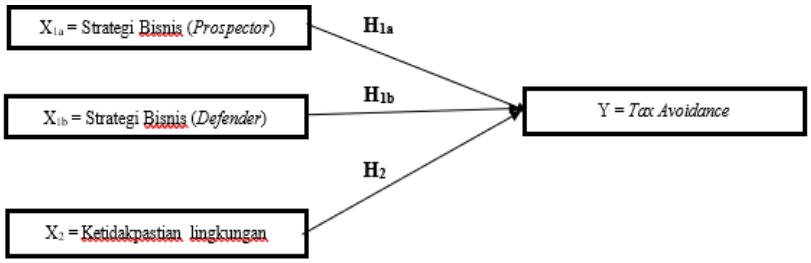


This research was conducted using quantitative research by using a descriptive approach. The main targets and targets of research are proven through the Research Object by making research decisions and objective evidence on the things to be researched and determining the problems to be studied where this research uses companies listed on the 2018-2020 BEI.

2.7 Variable Operations

Variable	Indicator	Scale
Book Tax Difference (BTD)	$\text{BTD} = \text{BI} - (\frac{\text{CTE}}{\text{STR}})$	Ratio
Business strategy • Research and Development Ratio (RDS)	$\frac{\text{Research \& Development Exp}}{\text{Total Sales}}$	Ratio
• Employees to Sales Ratio (EMPS)	$\text{EMPS} = \frac{\text{Total Employee}}{\text{Total Sales}}$	Ratio
• Company Sales Growth Ratio (CSGR)	$\frac{\text{Total Sales t} - \text{Total Sales t} - 1}{\text{Total Sales t}}$	Ratio
• Employee Turnover (σ EMP)	$\sigma\text{EMP} = \sigma\ \text{Total Employee}$	Ratio
• Marketing to Sales (SGAS)	$\frac{\text{Sales, General \& Adm. exp}}{\text{Total Sales}}$	Ratio
• Capital Intensity (CI)	$\frac{\text{Property, Plant \& Equipment}}{\text{Total Assets}}$	Ratio
Environmental Uncertainty • Market Uncertainty (MU)	$\text{MU} = \sigma\ \text{Total Sales}$	Ratio
• Competitive Intensity (COMPINT)	$\text{HI} = \sum(\text{Market share})$	Ratio
• Technological Uncertainty (TECH)	$> 1\ \text{Inovasi} = 2\ , \leq 1 = 1\ ; 0$	Ratio
Leverage (LEV)	$\text{DAR} = \frac{\text{Total Debt}}{\text{Total Assets}}$	Ratio
Property, Plant and Equipment Intensity (PPE)	$\text{PPE} = \frac{\text{Gross, Property, and Equipment}}{\text{Total Assets}}$	Ratio
Intensity of Inventory (IOI)	$\text{IOI} = \frac{\text{Total Inventory}}{\text{Total Assets}}$	Ratio

Company Size (SIZE)	SIZE = Ln Total Assets	Ratio
Return on Assets (ROA)	$\text{ROA} = \frac{\text{Net Income}}{\text{Total Assets}}$	Ratio

2.8 Research Empirical Model

$$TAi,t = + 1PROSPECTi,t + 2DEFENDERi,t + 3EUi,t + 4LEVi,t + 5PPEi,t + \beta 6\ IOIi,t + 7SIZEi,t + \beta 8ROAi,t + ei,t$$

Information:

TAi,t = Tax Avoidance is measured by book tax difference (book income before tax – (current tax expense / statutory tax rate))
PROSPECTi,t = Dummy variable, 1 if implementing strategy Prospector and 0 do not apply prospector strategy.
DEFENDERi, t = Dummy variable, 1 if implementing strategy defender and 0 does not apply the defender strategy.
EUi,t = Environmental Uncertainty is measured by three types of components, namely market uncertainty, competitive intensity and technological uncertainty according to Arief tiara et al., (2019)
LEVi, t = Leverage (total debt / total assets)
PPEi,t = Property, Plant and Equipment (gross ppe / total assets)
IOIi,t = Intensity of Inventory (total inventory / total assets)
SIZEi,t = Company Size (Ln total assets)
ROAi,t = Return on Assets (net income/total assets)
α = Constant
β = Variable coefficient
ei,t = error

3. Results and Discussion

3.1. Results

The population in this study are all manufacturing companies listed on the Indonesia Stock Exchange (IDX) for the period 2018 to 2020. The data source is obtained from the Indonesia Stock Exchange which is accessed via https://www.idx.co.id/

Research using purposive sampling method by taking samples from the population and following several sample criteria such as:

1. All manufacturing companies in the industrial, material and consumer sectors listed on the Indonesia Stock Exchange (IDX) which provide complete information regarding the research variables used.
2. All manufacturing companies in the industrial, material and consumer sectors listed on the Indonesia Stock Exchange (IDX) whose annual reports are presented in Rupiah (IDR).
3. All manufacturing companies in the industrial, material and consumer sectors listed on the Indonesia Stock Exchange (IDX) with consecutive annual reports for the period 2018 to 2020.

Table 3.1 Sample Criteria

No	Criteria	Sample
I	Manufacturing Companies listed on IDX During 2018-2020	193
II	Companies that do not publish financial statements in a row	(55)

	during 2018-2020	
III	Companies that did not make consecutive profits during 2018-2020	(40)
IV	Companies that do not use rupiah currency	(20)
V	Companies that do not have complete data according to variables	(36)
Total companies that meet the criteria		**42**
Observation year 2018-2020		**126**
Outliers		15
Final sample total		**111**

3.2. Descriptive Statistical Analysis

Table 3.2 Descriptive Analysis

Descriptive Statistics					
	N	Minimum	Maximum	mean	Std. Deviation
LEV	111	,16	2.76	,7396	,57518
PPE	111	,00	1.10	.0319	,14453
IOI	111	.04	,55	,2106	,12565
SIZE	111	12.73	29.41	22.4613	5,37706
ROA	111	1.00	921.00	91.0541	109.35288
BTD	111	175.00	225891.00	38900,5586	48629,95828
PROS	111	,00	1.00	,8378	,37027
DEF	111	,00	1.00	,1622	,37027
EU	111	,01	.04	,0241	,00621

Based on table 3.2 shows the results of descriptive statistical testing on the dependent variable, namely Book Tax Difference (BTD) shows that the minimum value (min) is 175 which is owned by PT Delta Djakarta Tbk, these results indicate that the company carries out the least level of tax avoidance and the highest value. (max) of 225,891 from PT Wismilak Inti Makmur Tbk, which indicates the company is doing a high level of tax avoidance. The average value (mean) generated from BTD is 38,900.5586 which indicates that on average the company performs a high level of tax avoidance by taking advantage of the difference in fiscal profit and commercial profit. The standard deviation of BTD is 48.629.

In the independent variable the company has two types, namely business strategy consisting of PROSPECT and DEFENDER and environmental uncertainty, namely EU. The results of descriptive statistics for PROSPECT and DEFENDER give a min value of 0 and a max value of 1. This value comes from the use of a dummy variable which reflects that if a value of 1 indicates the company is implementing a prospector or defender strategy and if 0 means the company does not implement that strategy. In PROSPECT there is a mean value of 0.8378 and a standard deviation of 0.37027 and in DEFENDER there is a mean value and a standard deviation of 0.1622 and 0.37027. The data on PROSPECT and DEFENDER have wide data variations due to the standard deviation value that exceeds the mean value.

The next independent variable is environmental uncertainty (EU) if the value is above 0.5, it indicates the company has a High-Level Uncertainty and if it is below it indicates a company with Low Level Uncertainty. The EU test results show a min result of 0.010 from

PT Alkindo Naratama Tbk which has a low level of uncertainty and a max value of 1 from PT Kimia Farma Tbk which indicates the company has a high level of uncertainty regarding tax avoidance. This EU variable has a standard deviation value of less than the mean value, namely the mean value is 0.0241 and the standard deviation is 0.00621 Descriptive statistical testing also involves control variables consisting of Leverage (LEV), Property, Plant & Equipment (PPE), Intensity of Inventory (IOI), Company Size (SIZE) and Return on Assets (ROA). The first control variable is Leverage (LEV) with a min value of 0.16 at PT Delta Djakarta Tbk and a max value of 2.76 at PT Semen Indonesia (Persero) Tbk with a mean value and standard deviation of 0.7396 and 0.57518. The second control variable, namely Property, Plant & Equipment (PPE), has a min value of 0.0001 obtained from the company PT Arwana Citra Mulia Tbk and a max value derived from PT Astra International Tbk of 1.10 which has a mean value of 0.0319 and a max value of 0.14453. The third control variable is Intensity of Inventory (IOI) with a min value of 0.04 from PT Supreme Cable Manufacturing and a max value of 0.55 by PT Pyridam Farma Tbk with a mean value of 0.2106 and a standard deviation of 0.12565. The next control variable, the fourth is Company Size (SIZE), the test results show the min and max values of 12.73 and 29.41 originating from PT Astra International Tbk for the min and max values at PT Tempo Scan Pacific Tbk with the mean and standard deviation of 22.4613 and 5.37706.

3.3. Autocorrelation Test

The correlation test serves to determine the relationship of the independent and dependent variables as well as the independent and independent variables in this study. Based on the results of the correlation test with Pairwise Correlation/Pearson Correlation with a significance level of = 5%, it shows that there are several correlations that exceed 5% which indicates an insignificant relationship with the related variables. The dependent variable is BTD which has a correlation to the SIZE variable which has a weak positive correlation to BTD while for other variables it has no correlation with BTD because the significance value is more than 0.05. The independent variable of business strategy, namely PROSPECT, has a moderate negative correlation with the LEV with a coefficient value of 0.519, then the SIZE and EU variables have a moderate positive correlation with a value of 0.43 and 0.448. Furthermore, the independent variable from Business Strategy, namely DEFENDER, has a moderate positive correlation with a coefficient value of 0.519 and the SIZE and EU variables have a moderate negative correlation with a value of 0.43 and 0.448. The next variable, namely the EU as environmental uncertainty has a weak negative correlation with PPE and ROA with a coefficient value of 0.216 and 0.245, then the SIZE variable has a strong positive correlation with a coefficient value of 0.634.

In the next independent control variable from LEV has a weak negative correlation with SIZE where the coefficient value is 0.291 then PPE has a weak negative correlation with EU where the coefficient value is 0.216 after that the IOI variable has a weak negative correlation to SIZE with a coefficient value of 0.250 while the variable SIZE control has a weak positive correlation with a coefficient value of 0.08 and a weak negative correlation by LEV and ROA where the coefficient values are 0.291 and 0.233.

3.4. Classic Assumption Test

Normality test

The purpose of the Normality Test is to test the normalization of the Independent Variable and Dependent Variable regression models. The results of an abnormal distribution

of the variables produce a statistical test that decreases, whereas if the results of a normal distribution of the variables result in an increased statistical test. The normality test on the data in this study was carried out using One Sample Kolmogorov - Smirnov which showed a significance value below 0.05. These results illustrate that the data is not normally distributed. Normality test in this study also uses the Probability Plot (P-Plot) method. The aim is to find out the regression model with the confounding variables or residuals normally distributed. Normality testing conducted in this study can be seen below.

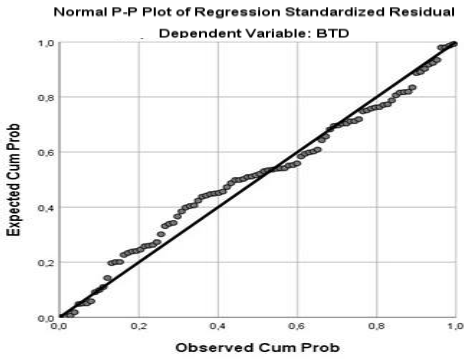
Table 3.3 Kolmogorov Smirnov. Sample Test

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		111
Normal Parameters, b	mean	,0000000
	Std. Deviation	46238,32529959
Most Extreme Differences	Absolute	,225
	Positive	,225
	negative	-,161
Kolmogorov-Smirnov Z		,225
asymp. Sig. (2-tailed)		,225c

Table 3.4 Shapiro-Wilk . Sample Test

Tests of Normality						
	Kolmogorov-Smirnova			Shapiro-Wilk		
	Statistics	df	Sig.	Statistics	df	Sig.
BTD	,213	111	,225	,751	111	,189

Figure 3.1 P-Plot Sample Test



In determining whether the normality test indicates a normality problem or not, it can be seen in the significance results, if the significance value is more than 0.05 it indicates that there is no normality problem, but if the probability result is less than 0.05 then there is a normality problem. In the results listed in the following table and figure, the Kolmogorov - Smirnov test and the Shapiro Wilk test have been carried out and show the results are normally distributed. The researcher also provides a normal probability plot (p-plot) image to illustrate the distribution of data from the dependent variable in this study, from the p-plot image it can be seen that the data is spread out following a diagonal line which concludes that the data is normally distributed.

Multicollinearity Test

In determining the high correlation between the independent variables in the equation, a multicollinearity test is carried out. If there is a high correlation. The basis for taking the Multicollinearity Test is by looking at the tolerance value and the VIF value. If the tolerance value is greater than 0.10, it means that there is no multicollinearity and if the VIF value is less than 10, it means that there is no multicollinearity. Table 4.6 shows that there is no multicollinearity because each tolerance value is greater than 0.10 and the VIF value is less than 10.

Heteroscedasticity Test

The way to detect the presence or absence of Heteroscedasticity in research is done by looking at the different variances and and if in a multiple linear regression model it can be done by drawing conclusions by looking at the Scatterplot graph or the predictive value of the dependent variable, namely SRESID and residual error, namely ZPRED. The following are the results of the heteroscedasticity test using a scatterplot graph.

Figure 3.2 Scatterplot Test

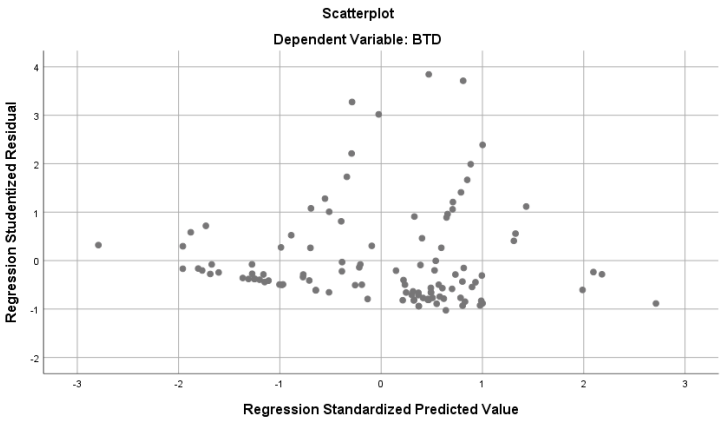


Figure 3.2 shows the points spread randomly and do not form a pattern, both above and below the number 0 on the Y axis, this means that there is no heteroscedasticity in the regression model. It can be concluded that this research instrument fulfills the assumption of heteroscedasticity.

Autocorrelation Test

The autocorrelation test aims to test whether in the regression model there is a correlation between the confounding error in period t and the confounding error in period t-1 (previous). The autocorrelation test was carried out by calculating the Durbin Watson (DW) value based on the Durbin Watson criteria.

Table 3.6 Durbin-Watson Test

Model	Std. Error of the Estimate	Durbin-Watson
1	47783.70563	2,147

The results of the autocorrelation test on the summary model, it can be seen that the DW value is 2,147. We will compare this value with the table value using a 5% degree of confidence, the number of samples is 111 and the number of independent variables is 8, we

get a dL value of 1.5591 and a dU value of 1.8262. Thus, it can be concluded that there is no autocorrelation. This is because dU < D < 4-dU (1.8262 < 2.147 < 2.1738).

3.5. Hypothesis testing

Test Adj R2

The coefficient of determination test R2 is used to measure the relationship between the model's ability to explain the dependent variable. [5]. The coefficient of determination has a value of 0 and 1 for a small coefficient of determination indicating that the ability of all independent variables is very small to explain the dependent variable. The number of coefficients of determination that is close to 1 indicates that the independent variable provides the information needed to describe and predict the dependent variation.

Table 3.7 Adj R2 . Test Results

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,310a	,096	0.035	47783.70563

The coefficient of determination assesses whether the dependent variable is influenced by the independent variable and has an R2 result that ranges from 0 to 1. Based on table 3.7 above, it shows that the R-Squared result is 0.096 or 9.6% and the adjusted R-Squared result is 0.035 or 3.5% which means that the variable independent variables namely PROSPECT, DEFENDER, EU, LEV, PPE, IOI, SIZE and ROA in this study affect the dependent variable, namely BTD by 3.5% and the remaining 96.5% is influenced by other variables outside the research model.

F Uji test

The F test in this study aims to determine the effect of the independent variable, namely the independent variable on the dependent variable or dependent variable. There are procedures used to measure this, namely:

1. The use of a significance level of 0.05 in this study with degrees of freedom (n - k) where n = total observations and K = total variables.
2. The following criteria can be decided from the test results as follows:
   a) The model will be rejected if the fit test > 0.05
   b) The model will be accepted if the fit test < 0.05

In the F test, it can be seen the influence of all independent variables simultaneously or together with a significant effect on the dependent variable. In this study, it can be seen the significance of the regression model which has been shown in the table below:

Table 3.8 F Test Results

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	24957912789,198	7	3565416112,743	1,562	,025b
	Residual	235178099916,171	103	2283282523,458		
	Total	260136012705,369	110			

Table 3.8 illustrates that the calculated F value is 1.562 and a significant value is 0.025. The regression model in this study can be used to predict the dependent variable, it happens because the significant value < = 5%. The conclusion that can be drawn from this research is that there is a significant simultaneous effect between the dependent variable and the independent variable.

t test

The t-test was conducted to assess how much influence the independent variable had on the dependent variable. The results of the t test can be seen from the significance value which does not exceed the significance of at 5% or 0.05 [5]. In assessing whether the hypothesis is accepted or not, it can be seen from the level of significance value that does not exceed 0.05 or 5%.

Table 3.9 t test results

Model		Unstandardized Coefficients		t	Sig.
		B	Std. Error		
1	(Constant)	-30156.143	29190.498	-1.033	,304
	LEV	-11518.859	10348,173	-1,113	,268
	PPE	5055,708	33608.898	,150	,881
	IOI	293,087	38154,155	,008	,994
	SIZE	2380,679	1239,615	1,920	0.058
	ROA	57.503	43,926	1.309	,193
	PROS	32344,664	23523,080	1,678	.041
	DEF	31270,697	17366,100	1,801	0.075
	EU	562432,714	1110880.680	,506	,614

In the table above, table 4.10 shows the coefficient of the regression model in this study has a constant value of -30156.143 with a calculated T value of -1.033 and a Sig value. of 0.304.

3.6. Regression Test Results

Effect of Prospector's Business Strategy on Tax Avoidance (H1a)

Based on the results of the table, the P-value is 0.041 where the result is less than the 5% significance level so that the hypothesis (H1a) has a significant effect while the coefficient value is 32344,664 which means that there is an effect of prospector business strategy on tax avoidance which is higher 32344,664 than companies that implement other strategies and have a positive effect on tax avoidance because the coefficient value is positive. With this it can be concluded that the hypothesis is accepted in this study.

Effect of Defender Business Strategy on Tax Avoidance (H2a)

Based on the results of table 4.11, the P-value is 0.075 where the results are less than the 5% significance level so that the hypothesis (H2a) has a significant effect while the coefficient value is 31270,697 which means that there is an effect of defender's business strategy on tax avoidance which is 31270,697 higher than the company. which applies other strategies and has a positive effect on tax avoidance because the coefficient value is positive. With this it can be concluded that the hypothesis is accepted in this study

Effect of Environmental Uncertainty on tax avoidance

In testing the next hypothesis, namely environmental uncertainty (EU) it can be seen in table 4.11 that the P-value is 0.614 where the result is more than the 5% significance level so that the hypothesis (H3) has no significant effect while the coefficient value is 562342.714 which means that there is the effect of defender's business strategy on tax avoidance is lower 562342,714. With this it can be concluded that the hypothesis is rejected in this study.

4. Conclusion

The following are the conclusions from the test results for the hypotheses that have been developed, namely:

1) The first hypothesis (H1a) states that the prospector business strategy has a significant effect on tax avoidance. This is because the company is always consistent with the strategy applied so that the use of the strategy will affect the tax avoidance actions taken.
2) The second hypothesis (H1b) states that the defender's business strategy has a significant effect on tax avoidance. This is because the company is always consistent with the strategy applied so that the use of the strategy will affect the tax avoidance actions taken.
3) The third hypothesis (H2) states that environmental uncertainty has no significant effect on tax avoidance. This is in line with agency theory which states that managers when faced with various pressures will take various legal actions to maintain and avoid risks for the company.

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