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DOES MANAGERIAL OWNERSHIP MODERATE THE RELATIONSHIP BETWEEN CORPORATE SOCIAL RESPONSIBILITY DISCLOSURE AND TAX AGGRESSIVENESS?

(Evidence from Mining Companies in Indonesia)

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Abstract

Companies' disclosure is an important thing to do because it is one of the corporate governance concepts. The purpose of this study is first to investigate the influence of corporate social responsibility disclosure on corporate tax aggressiveness. Also, to prove the influence of managerial ownership as a moderating variable in the relationship between corporate social responsibility and tax aggressiveness. This study uses secondary data, namely financial statements and annual reports that have been published by companies on the Indonesia Stock Exchange and the company's website. This study's population are mining companies listed on the Indonesia Stock Exchange during the 2014-2018 period. Using the purposive sampling method, the total sample of this study is 30 data from 39 companies. Data were analyzed by descriptive analysis and multiple regression analysis. The results of this study indicate that Corporate social responsibility disclosure affects tax aggressiveness. And managerial ownership as a moderating variable affects the relationship between corporate social responsibility disclosure and tax aggressiveness. It is suggested that companies must pay attention to the CSR disclosure and ownership structure and their relationship with tax aggressiveness.

Keywords: *corporate social responsibility disclosure, tax aggressiveness, managerial ownership, ownership structure.*

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INTRODUCTION

The most considerable income of a country is obtained from tax collections (Sagala, 2015). Under the Law of the Republic of Indonesia, Number 28 of 2007 Article 1 concerning General Provisions and Tax Procedures, the Tax has the meaning of compulsory contribution from society

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to the state, compelling and without direct return. The government will then use the funds to fund all public needs for their people's welfare. As an entity that drives the country's economy, it cannot be separated from this responsibility. However, many companies think that Tax is an expense that can burden the company so that it causes a difference in views between companies as taxpayers and the government. Taxpayer tries to minimize the tax burden, both legally and illegally, contrary to the government's aim to maximize its revenue from the taxation sector (Sagala, 2015).

Sagala (2015) defines tax aggressiveness as an act of planning tax payments by manipulating taxable income to gain profit. The state is, of course, the most disadvantaged party with this tax avoidance practice. A case of tax evasion was reported by Global Witness, an international non-profit organization in the environmental sector, carried out by the company PT Adaro Energy Tbk, which has carried out a strategy of circumventing the taxes it pays to the state (Sugianto, 2019). The company paid $ 125 million in taxes or the equivalent of Rp 1.75 trillion less than what it should have paid from 2009 to 2017.

State revenue from tin mining taxes is also still not as expected. This condition is because the state's revenue is still below IDR 1 trillion (Maranda, 2019). In the mineral and coal (Minerba) mining sector, the tax ratio has declined since 2011, from 12.09% to 3.8% in 2015 (Sulmaihati, 2019). The decrease in the tax ratio was due to the large number of mining companies avoiding taxes. In 2015 alone, for example, the number of unreported tax returns (SPT) reached 5,523, more than the reported tax returns of only 3,580 IUPs. Illegal mining is also rife, as a result of which there are many potential taxes and royalties that the state cannot receive (Wibisono, 2018).

Another case that occurred in 2017, PT Elnusa Tbk, was listed in the Paradise Papers document released by the International Consortium of Investigative Journalists (ICJI) (Nababan, 2017). The document states that PT Elnusa is on the list of companies that have secretly invested in tax havens. Although ICIJ does not state that the companies listed in these documents have violated the law or acted inappropriately, this does indicate that there are still companies that are making tax evasion efforts.

This aggressive tax action, of course, will create a negative image in society. Because the Tax paid by the company has an essential role for the procurement and financing means public as in the fields of education, health, infra s structures are at, the defence of national, and so forth (Muzakki, 2015). So that by paying taxes, it can be said that the company has contributed to efforts to develop the country and improve social welfare. However, if companies do an act of aggressive Tax, people will judge that the companies that have violated the rule of law will put the image of the poor in society's eyes.

The concept of CSR has been regulated in the Republic of Indonesia Law Number 40, 2007, about the Limited Company. This rule contains provisions that can be used to reference the investors to undertake investment in the company (Abdul & Ariwendha, 2017). Companies will be considered credible if they meet these requirements, both in CSR implementation and reporting (Mumtahanah & Septiani, 2017). Meanwhile, the disclosure of the company's CSR activities is regulated in PSAK No. 1 2015, which states that CSR disclosure of activities can be done separately from the annual report (IAI, 2015). This rule also states that CSR is an activity that is voluntary and should not be forced.

Many companies are currently increasing the number of managerial ownerships to make managers' position equal to that of shareholders. Thus, the managers who also act as investors will act according to shareholders' wishes and be more motivated to improve their performance and be responsible (Anwar, 2019). In contrast to companies with small managerial ownership, managers will focus only on developing company size (Hartadinata and Tjaraka, 2013).

Companies can be socially responsible to the community through the government (Muzakki, 2015) by making the government a regulator that is one of the company's stakeholders, thus encouraging companies to pay tax burdens according to applicable regulations minimize taxes legally or illegal. Cheating by companies in the form of tax aggressiveness can certainly tarnish the company's reputation in the community's eyes (Mumtahanah and Septiani, 2017). According to Lanis and Richardson (2012), tax aggressiveness is seen by the public as an illegal and incorrect act.

Suppose tax payment is a form of corporate responsibility to society. In that case, it can be said that when a company pays taxes obediently and following applicable regulations, it means that the company has taken an action that is following the concept of CSR. When a company discloses its CSR activities in its annual report, the company will tend to avoid acting aggressively on its taxes because it can affect public perceptions of the company (Sagala, 2015).

This research is supported by research by Lanis and Richardson (2012) and Adiputra et al. (2019), which state that the higher the company's CSR disclosure, the lower the tax aggressiveness, then Sagala (2015) which gives the result that the higher the company carries out CSR activities, the less aggressive the company is towards taxes. Besides, Napitu and Kurniawan's (2016) research provides CSR disclosure results, which negatively affects tax aggressiveness.

This study also refers to Hardianta and Tjaraka (2013) research, which concluded that the high managerial ownership ratio would increase corporate tax aggressiveness. The research results by Hadi and Mangoting (2014) state that managerial ownership does not affect corporate tax aggressiveness. As well as research by Putri (2013) examined the moderating effect of managerial ownership on the relationship of CSR disclosure and firm value, which resulted in the result that managerial ownership weakened the relationship between CSR and firm value. Likewise, the research by Prakoso and Darsoono (2016) concluded that managerial ownership does not moderate the effect of financial performance on firm value.

According to the viewpoint of an organization's legitimacy theory, it will look for ways to obtain guarantees that its operational activities are within the limits and norms that apply in society (Rokhlinasari, 2015). The social contract between the company and the community in which the company operates defines how much expectations society has about how it should carry out its operations. Hidayati and Murni (2009) state that companies seek a kind of recognition from investors, creditors, consumers, the government, and the surrounding community to maintain the viability of their business.

The stakeholder theory indicates that the company does not operate for its interests and stakeholders' interests, including shareholders, creditors, consumers, suppliers, government, society, analysts, and other parties related to the company (Sagala, 2015; Oktarina, 2018). According to this theory, companies have a social responsibility that requires them to carry out everything by considering all parties' interests related to company activities. This stakeholder theory assumes that a company's existence requires stakeholders' support so that all its activities require consideration from stakeholders. Social and environmental disclosure is also seen as a form of a dialogue between companies and stakeholders (Rokhlinasari, 2015).

According to Rokhlinasari (2015), based on its characteristics, stakeholders in the company are divided into two, namely primary stakeholders and secondary stakeholders. Primary stakeholders are those without whom the company will not survive to remain a going concern, including shareholders or investors, employees, consumers, and suppliers, and public stakeholders consisting of government and communities. Meanwhile, secondary stakeholders are defined as those who influence and are influenced by the company. They are not related to transactions with the company, and its continuity is not essential.

Agency theory explains the agency relationship that arises when one or more people (principal) employ other people (agents) to provide services and provide delegation of authority in the framework of corporate decision making (Jensen and Meckling, 1976). In agency theory, a firm is a collection of contracts between an economic resource (principal) owner and a manager (agent) that deals with these resources' use and control. The principals will provide direction to the agent to run the company. As entrusted parties, managers are responsible for all their actions. All forms of authority and responsibility the agent and the principal possess are regulated in a work contract with mutual consent.

As a tax subject, companies are obliged to pay their taxes under the government's provisions to finance state expenditures to realize national development for the wider community's welfare (Napitu and Kurniawan, 2016). Thus, if a company avoids its tax obligations even in a way that does not violate the law, the action is considered unfair, and it can be said that the company is just a parasite in people's lives. This action follows the legitimacy theory principles, which states that a company must try to gain recognition from the community. Paying taxes under applicable regulations will create a good reputation in the public's eyes that the company has been running its business per applicable norms and regulations (Harsanti, 2011).

The CSR concept changes the corporate responsibility model from single bottom lines to triple bottom lines (Mumtahanah and Septiani, 2017). Its attitude towards CSR also influences the extent to which a company is determined to reduce its taxes. Although it is difficult to distinguish between CSR with altruistic motives from CSR, which is carried out to benefit the company's reputation, many companies do so with multiple motives. The government and society are company stakeholders whose interests must also be considered by the company. Following stakeholder theory, the company should pay taxes according to the amount determined because it means that the company has prioritized its stakeholders' interests.

Lanis and Richardson (2012) also add that companies involved in tax-aggressive policies are not socially responsible. CSR activities carried out by the company indicate that the company has implemented a value system based on the social system in which the company operates (Sagala, 2015). Based on this statement, companies can conclude that companies carry out CSR disclosure to gain legitimacy from the community to avoid unwanted things to increase.

Tax aggressiveness can damage a company's reputation in its stakeholders' eyes (Mumtahanah and Septiani, 2017). So, from this explanation, CSR disclosure should affect the level of corporate tax aggressiveness. Because the company will reconsider its reputation, it has built through CSR activities. When the company carries out its tax obligations properly, it means that it has implemented CSR principles well.

H1: CSR disclosure affects tax aggressiveness

Agency problems cannot be wholly resolved through incentive policies, but it is also necessary to make a new policy, namely increasing managerial ownership (Hartadinata and Tjaraka, 2013). The company seeks to increase ownership by management, hoping that these managers will act according to the shareholders' actions.

The ownership structure is believed to affect an entity's running (Prakoso and Darsoono, 2016). Managers with share ownership will always strive to increase the company's value and avoid things that will damage the company's image in the community. Managers will avoid immoral actions in running their business. They will strive to continue to take socially responsible actions so that public trust will be maintained because the ethical judgment of whether a company is run depends on the principles adhered to by managers. Managers who realize how important it is to run a business ethically, care about profit, and avoid behaviours that can result in a negative image for the company, one of which is tax aggressiveness.

Managers will improve their performance and responsibilities because they feel the need to increase their prosperity as shareholders. If a manager has a strong motivation to run a business entity, the manager will pay attention to how the company is going. Maintaining a good reputation in the community is undoubtedly the focus of attention of the company so that its business can continue to run (Hidayanti & Laksito, 2013).

From this explanation, if it is related to CSR and tax aggressiveness, the researchers suspect that managerial ownership will affect the company's desire to carry out and disclose its CSR activities to increase its value. Activities that can harm the company's reputation will be strictly avoided, and activities that can increase public trust will tend to be more vigorous. The relationship between CSR disclosure and tax aggressiveness will be influenced by managerial ownership in a company.

H2: Managerial ownership affects the relationship between CSR disclosure and tax aggressiveness.

RESEARCH METHODS

This research includes quantitative research methods using secondary data sources, namely financial reports and company annual reports obtained through the official website of the IDX, namely www.idx.co.id and the company's official website. This study's population were mining companies listed on the Indonesia Stock Exchange (BEI) for the 2014-2018 period. The sample used in this study was taken using purposive sampling technique with the following criteria: includes publish the annual report (annual report) and financial reports (financial report) from 2014-2018, presenting CSR disclosure in its annual report, presenting financial reports using the rupiah value unit, has an ETR between 0-1, and did not experience a loss during the research year. Based on these criteria, six mining companies are selected: Tambang Batubara Bukit Asam (Persero) Tbk (PTBA), Ratu Prabu Energi Tbk (ARTI), Elnusa Tbk (ELSA), Radiant Utama Interisco Tbk (RUIS), Timah Persero Tbk (TINS), and Citatah Tbk (CTTH).

Table 1 shows the operational definition and variable measurement in this study. The dependent variable is tax aggressiveness, while corporate social responsibility disclosure as independent variable, and managerial ownership as moderating variables.

Table 1. Operational Definition and Variable Measurement

Variables	Definition	Measurement
Dependent Tax Aggressiveness	Proxied as ETR, which is considered the most appropriate to be an indicator of tax aggressiveness. If the value is close to zero. The lower the ETR value owned by the company, the higher the level of tax aggressiveness	$ETR = \frac{\text{income tax expense}}{\text{income before Tax}}$
Independent CSR disclosure	checklist method based on indicators from the Global Reporting Initiative (GRI) website using the latest version of GRI, namely G4 with 91 disclosure items	$CSRI = \frac{\Sigma Xyi}{ni}$ CSRI: Broad index of disclosure of corporate social and environmental responsibility i. ΣXyi: value 1 = if item y is disclosed; 0 = if item y is not disclosed. ni: the number of items for firm i, ni ≤ 91
Moderating Managerial Ownership	the board of directors' insider holdings and the management team.	$KM = \frac{\text{total managerial stock}}{\text{total outstanding stock}}$

Data analysis method

Testing the hypothesis in this study using multiple regression analysis with the absolute difference value model with the regression equation formula as follows:

$Y = \alpha + \beta_1 X + \beta_2 Z + \beta_3 |X - Z| + e$ ………………………………………………… (1)

Legend:
Y = Tax Aggressiveness
α = constant
$\beta_{1\text{-}2}$ = Regression coefficient
X = CSR disclosure
Z = Managerial Ownership
$|X - Z|$ = The absolute difference between CSR Disclosure and Managerial Ownership
e = error

Hypothesis test

Determination Coefficient Test (R^2)

In essence, the coefficient of determination (R2) measures how far the model can explain the variation in the dependent variable.

Significance Test of Individual Parameters (t Statistical Test)
The t statistical test aims to test how much influence the independent variable partially affects the dependent variable. The t statistical test can be seen by looking at the t value or the significance value of each independent variable. If the value is sig. ≤ 0.05 then H0 is rejected, H1 is accepted, which means that the independent variable individually affects the dependent variable and variable Z is the moderating variable. If the sig.-t value > 0.05, H0 is accepted, H1 is rejected, which means that the independent variable individually does not affect the dependent variable, and variable Z is not a moderating variable (Ghozali, 2018).

RESULTS AND DISCUSSION

Results

Descriptive statistics
Descriptive statistics aims to determine the characteristics of the sample used. The following table presents the descriptive statistical results in the form of the maximum, minimum, total, average, and standard deviation of each variable with N or a sample of 30.

Table 2. Descriptive Statistics

N		Minimum	Maximum	Sum	Mean	Std Deviation
ETR	30	,00000	,57432	8,44829	,2816098	,14118340
CSRD	30	,10989	,52747	8,09892	,2699640	,12690093
MO	30	,00000	,33070	2,16404	,0721347	,11597676
Valid N (listwise)	30					

Source: Data processed (2020)

Tax Aggressiveness
Tax aggressiveness is an action taken by a company to minimize its tax burden through legal and illegal activities. Table 3 shows the result of calculating the tax aggressiveness of the sampled companies in 2014-2018. Citatah Tbk (CTTH) carried out the highest tax aggressiveness with an ETR mean score of 0.413804. The lowest tax aggressiveness was Ratu Prabu Energi Tbk (ARTI), with a mean score of 0.080992.

Table 3. Tax Aggressiveness Results

No.	Company Code	Year					Mean
		2014	2015	2016	2017	2018	
1	PTBA	0.22791	0.23526	0.24600	0.24920	0.24467	0.240608
2	ARTI	0.00000	0.00000	0.00000	0.12131	0.28365	0.080992
3	ELSA	0.24857	0.24949	0.24033	0.22450	0.20034	0.232646
4	RUIS	0.27592	0.39096	0.50908	0.44759	0.39311	0.403332
5	TINS	0.33793	0.39606	0.31790	0.28944	0.25006	0.318278
6	CTTH	0.57432	0.51104	0.21980	0.32110	0.44276	0.413804
	Mean	0.27744	0.29714	0.25552	0.27552	0.30277	0.281609

Source: Data processed (2020)

The trend over five years indicates an increase in tax aggressiveness. Since tax aggressiveness is proxied by ETR, the increase in tax aggressiveness indicates that the companies tend to practice Tax under the tax law. In other words, the companies do not attempt to minimize their tax expense.

CSR Disclosure

The company that disclosed the most CSR was TINS , with a mean score of 0.470330. In comparison, the company with the lowest CSR disclosure was RUIS (0.134068). During the five years of research, 2016 showed the highest CSR disclosure (0.29121) and then decreased in 2018 and 2019.

Table 4. CSR Disclosure Results

No.	Company Code	Year					Mean
		2014	2015	2016	2017	2018	
1	PTBA	0.19780	0.21978	0.30769	0.28571	0.28571	0.259338
2	ARTI	0.13187	0.13187	0.14286	0.15385	0.15385	0.142860
3	ELSA	0.36264	0.41758	0.40659	0.36264	0.34066	0.378022
4	RUIS	0.10989	0.10989	0.14286	0.15385	0.15385	0.134068
5	TINS	0.39560	0.46154	0.52747	0.47253	0.49451	0.470330
6	CTTH	0.21978	0.20879	0.21978	0.26374	0.26374	0.247166
	Mean	0.23626	0.25824	0.29121	0.28205	0.28205	0.269964

Source: Data processed (2020)

Managerial Ownership

Managerial ownership in the mining companies studied shows a low percentage. The three companies whose shares are not owned by the company management at all. The highest score was found in RUIS with 28% managerial ownership

Table 5. Managerial Ownership Result

No.	Company Code	Year					Mean
		2014	2015	2016	2017	2018	
1	PTBA	0.00030	0.00010	0.00000	0.00000	0.00000	0.000000
2	ARTI	0.01620	0.00900	0.00000	0.32000	0.00290	0.069620
3	ELSA	0.00000	0.00000	0.00000	0.00000	0.00000	0.000000
4	RUIS	0.27220	0.33070	0.27530	0.27530	0.27530	0.285760
5	TINS	0.00007	0.00007	0.00000	0.00000	0.00000	0.000000
6	CTTH	0.06580	0.06570	0.06560	0.06570	0.12380	0.077320
	Mean	0.05908	0.06759	0.05682	0.11017	0.06700	0.072135

Source: Data processed (2020)

Multiple Linear Regression Analysis Test
This study uses a different regression model to test moderation's effect, namely the independent variables' absolute difference value model. Following are the results of the regression test using the SPSS 25 program.

Hypothesis Testing Results of Determination Coefficient Test
Table 6 indicates the adjusted R square value is 0.380 or 38%, which means that the ZCSR, ZKM can explain the variability of tax aggressiveness, and AbsX_Z variables are 38%. The remaining 62% is explained by causes or other variables outside of this model.

Table 6. Results of the determination coefficient test
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	, 666 a	, 444	, 380	, 11118705

a. Predictors: (Constant), AbsX_Z, Zscore: CSRD, Zscore: KM
Source: Data processed (2020)

Table 7. Multiple Linear Regression Analysis Test Results
Coefficients[a]

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	,460	,062		7,417	,000
	Zscore: CSR	,161	,042	1,143	3,860	,001
	Zscore: KM	,230	,054	1,630	4,263	,000
	AbsX_Z	-,127	,042	-,956	-3,048	,005

a. Dependent Variable: ETR

Source: Data processed (2020)

From table 7, the regression equation formula obtained is:

$$Y = 0{,}460 + 0{,}161\ X + 0{,}230\ Z - 0{,}127|X - Z| \ \ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots \ (2)$$

A constant value of 0.460 indicates that the variable CSR disclosure and managerial ownership as moderating variables are constant, so the value of tax aggressiveness (Y) will increase by 0.460 units. The variable of Corporate Social Responsibility disclosure has a regression coefficient value of 0.161. This value shows that if the CSR disclosure variable increases by 1 in the disclosure index, then the company's tax aggressiveness will increase by 0.161, assuming the other independent variables are constant.

The moderating variable has a regression coefficient of -0.127. If increased by 1%, the corporate Tax's aggressiveness will decrease by 0.127, assuming other independent variables are constant. According to the classic linear regression model assumption, stated that the data distribution is normal, with no heteroscedasticity, no multicollinearity, and no autocorrelation (for the time series data). This study has fulfilled all these assumptions, except the multicollinearity test. There is a correlation between the independent variable and the moderating relationship.

Statistical test t

Hypothesis 1 (H1) Test

Based on table 7 shows that the ZCSR t count is 3.860 with a significance level of 0.001 (less than 0.05), then H0 is rejected, and H1 is accepted, which means that CSR disclosure (X) affects tax aggressiveness (Y).

Hypothesis 2 (H2) Test

Table 7 shows the amount of t count AbsX_Z of -3.048 with a significance level of 0.005 (less than 0.05). It means that H0 is rejected and H1 is accepted, so the managerial ownership variable (Z) is indeed a moderating variable because CSR disclosure (X) with Managerial ownership (Z) as moderation can influence tax aggressiveness (Y). The negative t value indicates that the moderating variable has a negative effect, which means that the variable can reduce the effect of CSR disclosure (X) on tax aggressiveness (Y).

Discussion

The Effect of CSR Disclosure on Corporate Tax Aggressiveness

The first hypothesis test results indicate that CSR disclosure has a positive and significant effect on tax aggressiveness. These results indicate that the higher the CSR disclosure value of a company, the more its tax aggressiveness value will also increase. The higher the ETR value or the ETR value away from the number 0 means, the lower the company's desire to minimize its tax burden.

Based on Tables 3 and 4, CSR disclosure tends to decrease from 2015 to 2018, while the tax aggressiveness tends to increase from the same year. The data indicate that the low CSR related to the managements' attempt not to reduce the state's income tax payment. In other words, the higher the CSR disclosure, the lower the tax aggressiveness. However, the difference between ETR and CSRD is too small that statistically, the relationship between CSRD and ETR is positive. It means that the higher the SCR disclosure, the higher the ETR, the lower the tax aggressiveness.

This result is in line with Sagala (2015) research, which states that high CSR disclosure indicates an attitude of corporate responsibility, including compliance in paying taxes. This study is also in line with Lanis and Richardson's (2012) research, which also proved that the higher the company's CSR activity, the lower its tax aggressiveness, the higher ETR. This study also supports the legitimacy theory, which explains that companies' disclosure of social responsibility to obtain legitimacy from the community where the company is located. It also supports the stakeholder theory. CSR's high disclosure and the low level of tax aggressiveness show that the company has paid attention to corporate stakeholders, especially the community and government. According to agency theory, Whaita, Christa, Ortas, & Burritt (2018) summarized that agency theory is relevant to research on CSR disclosure and tax aggressiveness. Tax avoidances facilitate managerial opportunism to divert resources from where they are needed against the interests of shareholders. Therefore, it is related to CSR disclosure and tax aggressiveness. Fallan & Fallan

(2019) found that although companies comply with the law, there is a positive relationship between tax aggressiveness and voluntary disclosure. It indicates that strategic trade-offs exist and ensure an acceptable level of legitimacy from different stakeholders.

In contrast, this study's results are not in line with the research conducted by Napitu and Kurniawan (2016), which states that CSR does not influence corporate tax aggressiveness. This result is because the company does not focus on CSR disclosure to reduce the value of tax aggressiveness. Many companies still think that CSR is just an activity that is voluntary and has not empowered people's lives. In contrast, Plorensia & Hardiningsih (2015) found that tax aggressiveness affects CSR disclosure.

The Effect of Managerial Ownership as a Moderation Variable on the Relationship between CSR Disclosure and Tax Aggressiveness

The second hypothesis test results indicate that managerial ownership as a moderating variable affects the relationship between CSR disclosure and corporate tax aggressiveness. Managerial ownership has the effect of weakening the relationship between CSR disclosure and corporate tax aggressiveness. It means that managerial ownership in the company will make CSR disclosure no longer a factor that can reduce the value of corporate tax aggressiveness.

This result is in line with Dwilopa (2014) and Hardianta and Tjaraka (2013) research. Hardianta and Tjaraka (2013) concluded that high managerial ownership ratios would increase corporate tax aggressiveness (decrease ETR). The research results by Hadi and Mangoting (2014) state that managerial ownership does not affect corporate tax aggressiveness. In-Law no. 40 of 2007 regarding social and environmental responsibility states that companies that carry out their business activities in the fields and related to natural resources are obliged to carry out social and environmental responsibility. So that CSR disclosure will not be a factor that will reduce corporate tax aggressiveness. Management will look for other ways to minimize the amount of Tax.

In line with Putri's (2013) research, which examined the moderating effect of managerial ownership on the relationship between CSR disclosure and firm value, the results show that managerial ownership weakens the relationship between CSR and firm value because there is still a lack of managerial ownership in the sample companies. The same thing is also explained by research from Prakoso and Darsoono (2016), which concluded that managerial ownership could not moderate the effect of financial performance on firm value, which is presumably because more companies do not have managerial ownership. However, until the time this research was conducted, researchers had not found a research model similar to this study, so it was still difficult to compare the results with other studies.

Kovermann & Velte (2019) study a literature review of corporate governance's impact on corporate tax avoidance. They show that corporate governance institutions have the potential to increase tax avoidance (tax aggressiveness) and limit tax avoidance to a level where the arising risks do not outweigh the benefits. They stressed that under the principal-agent theory, managerial ownerships have a weak control of the company's policy since diversified ownership does not take an interest in a particular firm due to the cost consideration. However, some research found that higher rates of managerial stock ownership avoid less Tax than other firms. Therefore, it is suggested that future research may take into consideration the relationship between ownership structure and tax aggressiveness (tax avoidance).

CONCLUSION

Based on the analysis results, the following conclusions are obtained: (1) Disclosure of Corporate Social Responsibility influences corporate tax aggressiveness. It means that when the company's CSR disclosure is high, its tax aggressiveness will decrease. (2) managerial ownership as a moderating variable can affect the relationship between CSR and firm value.

This result is expected to consider companies, investors, and the government to pay more attention to corporate social responsibility activities and its ownership structure. It is hoped that tax aggressiveness will decrease, or the Effective Tax Rate (ETR) will increase.

Some of the limitations in this study are as follows: (1) the data used is only the company's annual report so that not all items are clearly disclosed, (2) the disclosure of the CSR index using the content analysis method to allow a subjective assessment, (3) index assessment only using a scale of 0 and 1 so that it does not provide detailed information, (4) the number of research samples is minimal, (5) the researcher only examines one independent variable, and (5) there is no similar research model, so it isn't easy to compare the results of the study.

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