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Research Article

The Effect of Fiscal Loss Compensation, Sales Growth, Transfer Costs on Tax Avoidance Moderated by CSR

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Abstract: This study focuses on the impact of fiscal loss compensation, sales growth, and transfer pricing on tax avoidance moderated by Corporate Social Responsibility (CSR) in companies listed in the LQ45 Index of the Indonesia Stock Exchange during the period of 2019-2023. The sources of this research come from data on companies listed in the LQ45 Index, which is a collection of high liquidity companies on the Indonesia Stock Exchange. This study aims to provide insight into how these factors interact and influence tax avoidance in Indonesia, which is an important issue considering the low tax ratio in this country. Data analysis was conducted using multiple linear regression tests. The research results indicate that partially, fiscal loss compensation has a negative and significant impact on tax avoidance, sales growth has a negative and insignificant impact on tax avoidance, and Transfer pricing has a positive but insignificant effect on tax avoidance. Simultaneously, fiscal loss compensation, sales growth, and transfer pricing have a positive but insignificant effect on tax avoidance. Based on the moderated regression analysis (MRA), CSR can influence the relationship between fiscal loss compensation and tax avoidance, CSR cannot influence the relationship between sales growth and tax avoidance, and CSR cannot influence transfer pricing and tax avoidance.

Keywords *:* Compensation for Tax Losses, Sales Growth, Transfer Pricing, Tax Avoidance, Corporate Social Responsibility (CSR).

1. Introduction

Tax is the largest source of income for the Republic of Indonesia. Where to maintain the stability of a country, this tax is needed. One of the major contributors to tax is corporate tax. In general, the goal of a company is to get the greatest possible profit and the smallest possible expenditure, therefore companies look for ways to reduce the amount of tax payments in order to get the greatest possible profit. (Moeljono, 2020) .

The phenomenon of tax avoidance can be seen from the results of a study conducted by *the Tax Justice Network* (TJN), an independent organization based in London, England, "Countries have lost more than US$ 427 billion in taxes each year due to international corporate tax abuse and private tax avoidance" this data was taken from *the Bank for International Settlements* in 2018 (CNN, 2020) .

Tax revenue can be influenced by external and internal factors. External factors that influence a country's tax revenue include economic growth, inflation rate, Rupiah exchange rate, international oil prices, crude oil production, international oil prices, and interest rates. Internal factors that influence tax revenue are the tax rates themselves (Wijayanti & Budi, 2010) .

Transfer pricing or transfer costs are an effort made by the Company for the purpose of tax avoidance, especially for manufacturing companies that have international transactions. From the government's perspective, transfer costs can result in reduced potential tax revenues because manufacturing companies shift their tax obligations by reducing the selling price between companies in one group and transferring the profits obtained to companies domiciled in countries that apply low tax rates (Ritonga, 2019) .

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Another phenomenon also occurred in 2019 published by *Global Witness* indicating PT. Adaro Energy Tbk, carried out tax avoidance practices by *transferring pricing* through one of its subsidiaries in Singapore, namely Coaltrade Service International. Which allows Adaro to pay USD 125 million lower than what should be paid in Indonesia. The financial report shows that the commission received by Coaltrade Service International in a country with a low tax rate such as Singapore has increased drastically from an average of 4 million US dollars before 2009, increasing to 55 million US dollars from 2009 to 2017. More than 70% of the coal sold comes from Adaro's subsidiaries in Indonesia (Globalwitness, 2019) .

2. Literature Review

Fraud Triangle Theory

Fraud triangle is a theory discovered by Donal R. Cressy after doing his doctoral thesis in 1950. Cressy expressed the hypothesis about *the Fraud triangle* to explain why people commit *fraud*. Cressy also revealed that many of these offenders know their mistakes but they consider this to be normal (Yusri, 2020) .

Tax evasion

Tax avoidance is an attempt to avoid taxes that is carried out legally and safely for taxpayers which is carried out without violating tax regulations, but rather by exploiting loopholes in tax regulations (Ritonga, 2019) . Tax avoidance is one way that can be used to lower the tax rate that must be paid by taxpayers. Where most taxpayers always want to maximize income and minimize tax burdens.

Sales growth

Sales growth is important in working capital management. Companies can know how much profit they get from increased sales. Sales growth can indicate whether the company's sales growth conditions are good or bad. Increasing sales tend to make companies avoid taxes (Sawitri et al., 2022) .

Transfer price

Transfer pricing is also sometimes referred to as *abuse on transfer pricing* or called a legal but immoral act. It is called legal because the company takes advantage of loopholes in the laws and regulations related to transfer pricing policies that can reduce the company's tax burden that must be paid. Then it is called immoral when the company gets maximum profit while paying the smallest possible tax burden (Riyadi & Kresnawati, 2021) .

Corporate Social Responsibility (CSR)

Initially, *CSR* was carried out because of public distrust of the company. Because the company's activities have a negative impact on the environment such as air pollution, air pollution, deforestation, and others. However, *CSR* is now used by companies for business strategies, especially in terms of marketing, *public relations* , and decision making (Ayem & Nuwa, 2021) .

3. Research Method

Types of research

This study uses a correlational type which is a type of research that aims to find the relationship between two or more variables. This study tries to explain how these variables influence each other. Data collection methods used include interviews, observations, and document analysis (Widodo et al., 2023) .

This study uses 3 types of variables, namely independent variables, dependent variables, and moderator variables. The independent variables used in this study are fiscal loss

compensation, sales growth and transfer prices. While the dependent variable used is tax avoidance and the moderating variable used is *Corporate Social Responsibility.*

Research Object

The object of this research is a company that has a high level of liquidity, namely a company that is included in the LQ45 index on the Indonesia Stock Exchange for the 2019-2023 period from the Indonesia Stock Exchange *website* www.idx.co.id

Data Types and Sources

This study uses quantitative data. Quantitative data means data obtained from the results of data collection or measurements using a numerical scale (Widodo et al., 2023) . Used to conduct research on a particular population or sample, data collection is used for statistical data analysis, with the aim of testing a predetermined hypothesis.

4. Results and Discussion

Research result

LQ45 Index Is a measure that reflects the price performance of 45 stocks on the Indonesia Stock Exchange from all sectors that have the highest liquidity and capitalization value in the last year. LQ stands for " *Liquidity* " and " *Quality* ", which means that stocks that join this index must have high liquidity and adequate quality.

The data analysis method used in this study is a statistical analysis method that uses multiple linear regression equations. Testing of classical assumptions and multiple regression was carried out using SPSS. The variables used in this study include tax avoidance as the dependent variable, independent variables consisting of tax loss compensation, sales growth, *transfer pricing* , and *CSR* as a moderating variable . The data used in this study were obtained from the financial statements of LQ45 index companies listed on the Indonesia Stock Exchange 2019-2023.

In this study, the companies that are the subjects are companies listed in the LQ45 index on the Indonesia Stock Exchange for the period 2019 to 2023. The number of companies included in the LQ45 index that are the subjects of the study is 41 companies, with a total research duration of 5 years.

Descriptive Statistics Results

Descriptive statistics are conducted to present an overview of the variables used in this study. This analysis method is used to describe data from each variable used in this study. Data from the research variables include the number of data (N), the highest value (*Maximum*), the lowest value (*Minimum*), the average value (Mean), and the standard deviation. The following are the results of the descriptive statistical test:

Table 1. Descriptive Statistics

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Fiscal Loss Compensation (X1)	205	,00000	1,00000	,0731707	,26105404
Sales Growth (X2)	205	-4,70668	1.89927	,0862108	,48810613
Transfer Pricing (X3)	205	,00000	1,00000	,1375600	,21972610
Tax Avoidance (Y)	205	-4.26994	1.54152	-,2461550	,37125674
Corporate Social Responsibility (Z)	205	,03419	,94017	,3431730	,21225597
Valid N (listwise)	205				

Source: Research Results, Data Processed 2025

Based on the results of descriptive statistical testing in the table above, the information that can be obtained is as follows:

- The fiscal loss compensation variable (X1) has the lowest value of 0, the highest value of 1, with an average of 0.0731707, and a standard deviation of 0.26105404.

- The sales growth variable (X2) has the lowest value of -4.70668 at PT. Saratoga Investama Sedaya Tbk, the highest value of 1.89927 at PT. Saratoga Investama Sedaya Tbk, with an average of 0.0862108, and a standard deviation of 0.48810613.

- *transfer pricing* variable (X3) has the lowest value of 0 in PT. Tower Bersama Infrastructure Tbk, the highest value of 1 in PT. Vale Indonesia Tbk, with an average of 0.1375600, and a standard deviation of 0.21972610.

- The tax avoidance variable (Y) has the lowest value of -4.26994 at PT. Elang mahkota Teknologi Tbk, the highest value of 1.54152 at PT. XL Axiata Tbk, with an average of -0.2461550, and a standard deviation of 0.37125674.

- The Corporate Social Responsibility (Z) variable has the lowest value of 0.03419 in PT. Mitra Adiperkasa Tbk, the highest value of 0.94017 in PT. Bank Negara Indonesia (Persero) Tbk, with an average of ...., and a standard deviation of 0.21225597.

Classical Assumption Test Results

Before determining the results of the research hypothesis, it is necessary to first conduct a classical assumption test. This classical assumption test includes (1) normally distributed data, (2) no symptoms of heteroscedasticity, (3) no autocorrelation, (4) no multicollinearity between independent variables.

Normality Test

Normality Test is conducted with the intention of testing whether in the regression model, the disturbance variables or residuals have been distributed normally. There are two methods to determine whether the residuals have a normal distribution or not, namely through graphical analysis and statistical testing. Normality testing with the histogram graphic method can be seen in the following image:

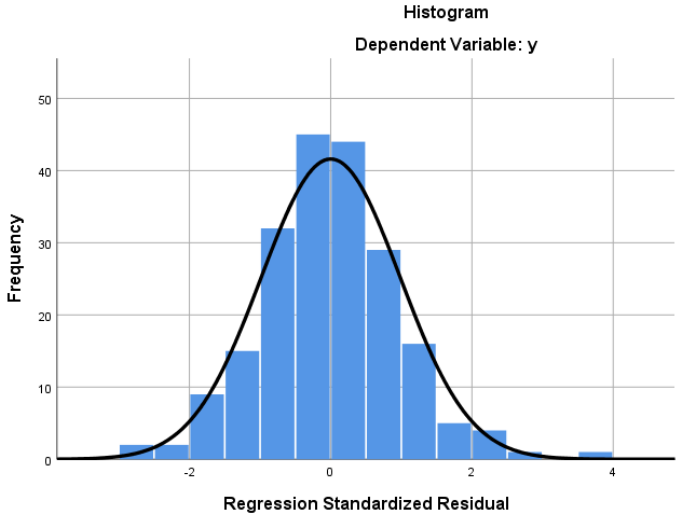

Figure 1 Histogram Normality Test Results
Source: Research Results, Data Processed 2025

Based on the image of the histogram normality test results in Figure 4.1, it can be seen that the data pattern of the graph almost resembles a bell-shaped curve line, and the data pattern does not deviate to one side only (either left or right). Therefore, the results of this test indicate that the data is normally distributed.

Normality testing using the *probability plots method* can be seen in the following image:

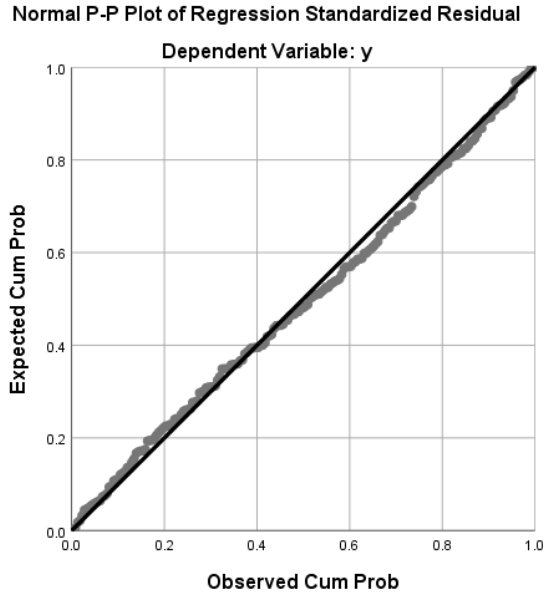

Figure 2 Results of Normality Test *probability plots*
Source: Research Results, Data Processed 2025

the probability plots normality test in Figure 2, it shows a spread pattern and follows a diagonal line so that from this pattern it can be concluded that the data is normally distributed.

In addition to using graphs, to find out whether the data is normally distributed or not, it can be done by conducting a non-parametric *Kolmogorov Smirnov statistical test* , namely a test that states that research data is normally distributed when it has a significant value > 0.05. The following are the results of the normality test with the *Kolmogorov Smirnov approach.*

Table 2 Normality Test

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		205
Normal Parameters [a,b]	Mean	.0000000
	Std. Deviation	.18075122
Most Extreme Differences	Absolute	.040
	Positive	.040
	Negative	-.028
Test Statistics		.040
Asymp. Sig. (2-tailed)		.200 [c,d]

a. Test distribution is Normal.
b. Calculated from data.
c. Lilliefors Significance Correction.
d. This is a lower bound of the true significance.

Source: Research Results, Data Processed 2025

From the results of *the Kolmogorov Smirnov test* in table 2, it shows that the 2-tailed *asymptotic significance value is 0.2 or greater than the significance level value of 0.05. So the results of this test indicate that the variables of fiscal loss compensation (X1), sales growth (X2), Transfer pricing* (X3), tax avoidance (Y), and *Corporate Social Responsibility* (Z) are normally distributed and are suitable for use in analysis.

Multicollinearity Test

The multicollinearity test aims to determine whether there is a correlation between independent variables in the regression model. A good regression model is one in which there is no correlation between independent variables.

Multicollinearity testing can be done by looking at the *tolerance value* and *Variance Inflation Factor (VIF)*. The value that is usually used to indicate the occurrence of multicollinearity is a *tolerance value* ≤ 0.10 or equal to a VIF value ≥ 10.

Table 3 Multicollinearity Test

Coefficients

Model		Collinearity Statistics	
		Tolerance	VIF
1	Fiscal Loss Compensation (X1)	,701	1,427
	Sales Growth (X2)	,702	1,424
	Transfer Pricing (X3)	,972	1,028
	Corporate Social Responsibility (Z)	,889	1,125
	X1Z	,645	1,551
	X2Z	,647	1,547
	X3Z	,899	1,112

Source: Research Results, Data Processed 2025

Based on the results of the multicollinearity test in table 4.3, it explains that:

- *tolerance* value of the fiscal loss compensation variable, sales growth, *transfer pricing, CSR,* the influence of *CSR* on fiscal loss compensation, the impact of *CSR* on sales growth, and the influence *of CSR* on *transfer pricing* have values greater than 0.10, namely 0.701, 0.702, 0.972, 0.889, 0.645, 0.647, and 0.899 respectively.

- *The Variance Inflation Factor (VIF)* values of the fiscal loss compensation, sales growth, and *transfer pricing variables* have values less than 10, namely 1.427, 1.424, 1.028, 1.125, 1.551, 1.547, and 1.112, respectively.

The results of the test show that there are no multicollinearity problems between the independent variables in this study.

Autocorrelation Test

Autocorrelation testing is carried out with the aim of testing whether there is a correlation between the disturbance errors in period t with the errors in the previous period (t-1) in a regression model. This autocorrelation test is carried out by looking at the *Durbin Watson value*. The results of the autocorrelation test are as follows:

Table 4 Autocorrelation Test

Model Summary [b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,199 [a]	,040	,011	,3692956	1,911

a. Predictors: (Constant), X3Z, Transfer Pricing (X3), X2Z, Fiscal Loss Compensation (X1), Sales Growth (X2), X1Z
b. Dependent Variable: Tax Avoidance (Y)

Source: Research Results, Data Processed 2025

Durbin Watson test, a value of 1.911 was obtained. Which will be compared with the *Durbin Watson table value* at 5% significance with the formula (K; N). where K is the number of independent variables with a moderating effect on the independent variable totaling 6, while N is the number of samples, namely 205, then the equation obtained is (6; 205) based on the table in the number of samples 200, the available table is only a multiple of 10. Therefore, the values of d_{U} and d_{L} are taken in the equation (6; 210).

Then the value of d_{U} is found to be 1.82294 and d_{L} is 1.72554. So it can be concluded that the *Durbin Watson value* is between d_{U} and 4-d_{U}, namely 1.82294 < 1.911 < 2.17706 (4-1.82294) which means that based on the results of the *Durbin Watson test* there is no autocorrelation.

Heteroscedasticity Test

The purpose of heteroscedasticity testing is to determine whether in a regression model there is inequality *of variance* from one observation to another. In this study, the method used is the *Glejser test.*

The following are the results of heteroscedasticity testing using the *Glejser method:*

Table 5 *Glejser Test Results*

Coefficients [a]

Model		Unstandardized Coefficients		Standardized Co-efficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-1,503	1,358		-1.107	.270
	x1	.119	.182	.164	.658	.512
	x2	-.334	.276	-1,522	-1.210	.228
	x3	1,937	2,969	1,392	.652	.515
	x1_z	-.596	.353	-.456	-1.687	.093
	x2_z	.148	.541	.311	.274	.785
	x3_z	-.196	3.011	-.151	-.065	.948

a. Dependent Variable: Abs_res

Source: Research Results, Data Processed 2025

The results of the heteroscedasticity test in table 5 show that the significant value of each independent variable is more than 0.05. So it can be concluded that there is no heteroscedasticity problem.

Multiple Linear Regression Analysis Test Results

Multiple linear regression analysis was conducted with the aim of measuring the influence between independent variables (fiscal loss compensation, sales growth, and *transfer pricing)* and dependent variables (tax avoidance). The following are the results of the multiple linear regression analysis:

Table 6 Results of Multiple Linear Regression Analysis Test

Coefficients [a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-,247	,033		-7,466	,000
	Fiscal Loss Compensation (X1)	,011	,105	,008	,105	,916
	Sales Growth (X2)	-,025	,056	-,032	-,438	,662
	Transfer Pricing (X3)	,017	,120	,010	,140	,888

a. Dependent Variable: Tax Avoidance (Y)

Source: Research Results, Data Processed 2025

The results of the multiple linear regression analysis test can be described by the following equation:

$$Y = -0,247 + 0,011X1 - 0,025X2 + 0,017X3 + e$$

The meaning of the multiple linear regression analysis results equation can be explained as follows:

- The constant value is -0.0247. This value can be interpreted if the variables of fiscal loss compensation, sales growth and *transfer pricing* are assumed to be constant or equal to zero, then the value of the tax avoidance variable is -0.247.

- The regression coefficient value of the fiscal loss compensation variable (X1) is 0.011, which is positive. This means that fiscal loss compensation (X1) increases by 1 unit, then tax avoidance (Y) tends to increase by 0.011.

- The regression coefficient value of the sales growth variable (X2) is -0.025, which is negative. This means that the fiscal loss compensation (X1) increases by 1 unit, then tax avoidance (Y) tends to increase by -0.025

- The regression coefficient value of the *transfer pricing variable* (X1) is 0.017, which is positive. This means that the fiscal loss compensation (X1) increases by 1 unit, then tax avoidance (Y) tends to increase by 0.017.

Moderate Regression Analysis (MRA) **Results**

Moderate Regression Analysis was conducted with the aim of measuring the influence between independent variables (fiscal loss compensation, sales growth, and *transfer pricing),* moderating variables (CSR) and dependent variable (tax avoidance). The following are the results of *Moderate Regression Analysis* :

Table 4.7 Results of *Moderate Regression Analysis (MRA) Test*

Coefficients [a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	-,244	,033		-7,369	,000
	Fiscal Loss Compensation (X1)	-,442	,181	-,311	-2,447	,015
	Sales Growth (X2)	-,131	,134	-,172	-,978	,329
	Transfer Pricing (X3)	,040	,280	,024	,143	,887
	Z.X1	1,813	,592	,436	3,064	,002
	Z.X2	,398	,291	,254	1,366	,174
	Z.X3	-,171	,724	-,040	-,237	,813

a. Dependent Variable: Tax Avoidance (Y)

Source: Research Results, Data Processed 2025

Moderate Regression Analysis test can be described by the following equation:

Based on table 7. the results of the *Moderated Regression Analysis (MRA) test* in the table above, it can be seen that the significance value of the interaction variable between tax loss compensation and *CSR* is 0.002 (> 0.05), sales growth and *CSR* is 0.174 (> 0.05) and *transfer pricing* and *CSR* is 0.813 (> 0.05), it is concluded that *CSR* is able to moderate the effect of fiscal loss compensation on tax avoidance, is unable to moderate the effect of sales growth on tax avoidance, and is unable to moderate the effect of *transfer pricing* on tax avoidance.

Discussion

The effect of fiscal loss compensation on tax avoidance

The results of the t-test stated that the fiscal loss compensation variable obtained a $_{\text{calculated t value}} < t_{\text{table}}$ or -2.447 < 1.653 with a significant value of 0.015 < 0.05, so that fiscal loss compensation partially has a negative and significant effect on tax avoidance in companies listed on the LQ45 Indonesia Stock Exchange so that H1 $_{\text{is}}$ rejected.

Fiscal loss compensation according to Law No. 36 of 2008 Article 6 paragraph 2 concerning income tax (PPh) losses incurred can be compensated with income starting from the next tax year consecutively up to 5 (five) years. Fiscal losses are tax losses calculated based on tax assessments issued by the Director General of Taxes and fiscal losses based on the Taxpayer's Annual Income Tax Return (self assessment) if there is no or no tax assessment issued by the Director General of Taxes

Fiscal loss compensation has a negative and significant effect on tax avoidance. These results state that when fiscal loss compensation occurs in a company, tax avoidance actions are reduced. This is in line with previous research conducted by (Mulyana et al., 2020) which stated that fiscal loss compensation has a negative and significant effect on tax avoidance. This is in contrast to previous researchers (Andalia et al., 2023) and (Septanta, 2023) who stated that fiscal loss compensation has a positive effect on tax avoidance.

The effect of sales growth on tax avoidance

The results of the t-test stated that the fiscal loss compensation variable obtained a $_{\text{calculated t value}} < t_{\text{table}}$ or -0.978 < 1.653 with a significant value of 0.329 > 0.05, so that sales growth partially has a negative and insignificant effect on tax avoidance in companies listed on the LQ45 Indonesia Stock Exchange so that H2 $_{\text{is}}$ rejected.

Sales growth is important in working capital management. Companies can know how much profit they get from increased sales. Sales growth can indicate whether the company's sales growth conditions are good or bad. Increasing sales tend to make companies avoid taxes (Sawitri et al., 2022) . Sales growth is usually measured by comparing sales year-to-year, quarter-to-quarter, or month-to-month. With increasing sales, the taxes that need to be paid will increase. So there is an urge to reduce the taxes that need to be paid.

Sales growth has a negative and insignificant effect on tax avoidance. These results indicate that when sales growth occurs in a company, tax avoidance actions decrease. This is in line with previous research conducted by (Pramesti & Susilawati, 2023) which stated that fiscal loss compensation has a negative and insignificant effect on tax avoidance. This is in contrast to previous research conducted by (J. Saputra & Purwatiningsih, 2022) which showed that sales growth has a significant effect on tax avoidance.

The effect of *transfer pricing* on tax avoidance

The results of the t-test stated that the *transfer pricing variable* obtained a $_{\text{calculated t value}} < t_{\text{table}}$ or 0.143 < 1.653 with a significant value of 0.887 > 0.05, so *transfer pricing* partially has a positive and insignificant effect on tax avoidance in companies listed on the LQ45 Indonesia Stock Exchange so that H3 $_{\text{is}}$ rejected.

Transfer pricing is also sometimes referred to as *abuse on transfer pricing* or called a legal but immoral act. It is called legal because the company takes advantage of loopholes in the laws and regulations related to transfer pricing policies that can reduce the company's tax burden that must be paid. Then it is called immoral when the company gets maximum profit while paying the smallest possible tax burden (Riyadi & Kresnawati, 2021) .

Transfer pricing has a positive and insignificant effect on tax avoidance. These results state that when *transfer pricing occurs* in a company, tax avoidance increases. This is in line with previous research conducted by (Tax & Istimewa, 2022) which stated that *transfer pricing* has a positive and insignificant effect on tax avoidance. This is in contrast to previous research conducted by previous research from (Chrisany & Remista, 2022) and (Ginting & Machdar, 2023) showing that transfer pricing has a positive and significant effect on tax avoidance.

The effect of fiscal loss compensation, sales growth, and *transfer pricing* on tax avoidance

From the results of the simultaneous F test, the $_{\text{calculated F value}} < F_{\text{table}}$ or 0.094 <2.65 with a significant value of 0.963> 0.05, then the independent variables (fiscal loss compensation, sales growth, and *transfer pricing*) simultaneously have a positive but insignificant effect on tax avoidance in LQ45 companies listed on the IDX for the 2019-2023 period so that H4 $_{\text{is}}$ rejected.

Tax avoidance is an attempt to avoid taxes that is carried out legally and safely for taxpayers which is carried out without violating tax regulations, but rather by exploiting loopholes in tax regulations (Ritonga, 2019) . Tax avoidance is one way that can be used to reduce the tax rate that needs to be paid by taxpayers. Where most taxpayers always want to maximize income and minimize tax burdens. Fiscal loss compensation, sales growth, and *transfer pricing* simultaneously have a positive and insignificant effect on tax avoidance. This means that when a company experiences fiscal loss compensation, sales growth and *transfer pricing* , tax avoidance actions will increase but not significantly. This is similar to previous researchers (J. Saputra & Purwatiningsih, 2022) who stated that sales growth, accounting conservatism and fiscal loss compensation have a positive effect on tax avoidance.

The influence of *Corporate Social Responsibility* (CSR) in moderating the influence of fiscal loss compensation on tax avoidance

the Moderated Regression Analysis (MRA) test show that the significance value of the interaction variable between fiscal loss compensation and *CSR* is 0.002 (<0.05), so it can be concluded that *CSR* is able to moderate the effect of fiscal loss compensation on tax avoidance in companies listed on the LQ45 Indonesia Stock Exchange so that H5 $_{is}$ accepted.

CSR is able to moderate and strengthen the influence of fiscal loss compensation on tax avoidance. This means that *CSR* can strengthen or weaken the relationship between fiscal loss compensation and tax avoidance.

This may happen because when a company receives fiscal loss compensation and simultaneously carries out *CSR* , the level of profit/income is low and the loss is large, which causes the company not to need to pay tax in that tax year.

The influence of *Corporate Social Responsibility* (CSR) in moderating the influence of sales growth on tax avoidance

the Moderated Regression Analysis (MRA) test show that the significance value of the interaction variable of sales growth and *CSR* is 0.174 > 0.05, so it can be concluded that *CSR* is not able to moderate the effect of sales growth on tax avoidance in companies listed on the LQ45 Indonesia Stock Exchange so that H6 $_{is}$ rejected.

CSR is unable to moderate the effect of sales growth on tax avoidance. This means that *CSR* cannot strengthen or weaken the relationship between fiscal loss compensation and tax avoidance.

One of the objectives of the *CSR program* is to maintain and care for good partnerships with related parties. With the *CSR program* , companies can build better relationships with the surrounding environment. The *CSR program* provides many benefits for the community in self-development and empowerment. So it can be concluded that not everyone uses *CSR* to avoid taxes, one of the factors people do *CSR* is for the environment and the surrounding community.

The influence of *Corporate Social Responsibility* (CSR) in moderating the influence of transfer pricing on tax avoidance

the Moderated Regression Analysis (MRA) test show that the significance value of the interaction variable between *transfer pricing* and *CSR* is 0.813 > 0.05, so it can be concluded that *CSR* is unable to moderate the effect of *transfer pricing* on tax avoidance in companies listed on the LQ45 Indonesia Stock Exchange so that H7 $_{is}$ rejected.

CSR is unable to moderate the effect of *transfer pricing* on tax avoidance. This means that *CSR* cannot strengthen or weaken the relationship between fiscal loss compensation and tax avoidance.

CSR is not only done to increase the burden of expenses that can reduce profits so that it also reduces the tax burden, but *CSR* is a form of responsibility made by the company due to damages that occur due to factory activities. And also maintain good relations with the surrounding community and customers.

5. Conclusions

Conclusion

Based on the results of the study on the effect of fiscal loss compensation, sales growth, and transfer pricing on tax avoidance moderated by corporate social responsibility in LQ45 companies on the Indonesia Stock Exchange in 2019–2023, several conclusions were obtained. First, fiscal loss compensation has a negative and significant effect on tax avoidance. Second, sales growth has a negative but insignificant effect on tax avoidance. Third, transfer pricing has a positive but insignificant effect on tax avoidance. Fourth, simultaneously fiscal loss compensation, sales growth, and transfer pricing have a positive but insignificant effect on tax avoidance. Fifth, corporate social responsibility (CSR) is able to moderate the effect of fiscal loss compensation on tax avoidance. Sixth, CSR is unable to moderate the effect of

sales growth on tax avoidance. Seventh, CSR is also unable to moderate the effect of transfer prices on tax avoidance in LQ45 companies during the period.

Suggestion

Based on the conclusion, the suggestions that can be given are as follows. First, for companies, it is expected to be able to prepare accurate and valid financial reports, and have gone through an audit process by an independent auditor, so that the reports produced are of high quality and can be used accurately in tax calculations. Second, for investors, it is expected to be more careful in analyzing the company's financial reports, especially in the tax reporting section, as a consideration in making investment decisions. Third, for further researchers, the results of this study are expected to be a reference in studying tax avoidance by considering newer periods, different industrial sectors, and other independent variables that have not been studied in this study, such as advertising expenses, leverage, and capital intensity.

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