

Transfer Pricing Determinants in Indonesian Listed Firms

Adam Muhamad Satria^{1*}, Suparna Wijaya², Ferry Irawan³

Universitas Pembangunan Nasional Veteran Jakarta, Jakarta, Indonesia^{1,2,3}

2510123012@upnvj.ac.id^{1*}, suparnawijaya@upnvj.ac.id², ferryirawan@upnvj.ac.id³



Article History

Received on 16 September 2025
 1st Revised on 22 September 2025
 2nd Revised on 04 October 2025
 3rd Revised on 14 October 2025
 Accepted on 22 October 2025

Abstract

Purpose: This study examines the effects of free-float shares, capital structure, and tunneling incentives on transfer pricing. The free-float share is a novelty of this study.

Research Methodology: This study employs a quantitative methodology based on secondary data obtained from the annual reports of companies listed on the Indonesian Stock Exchange between 2023 and 2024. Sample selection was conducted using purposive sampling, and the empirical analysis was performed using panel data regression with Moderated Regression Analysis (MRA) in Stata.

Results: The results reveal that free-float shares and capital structure are negatively associated with transfer pricing practices, whereas tunneling incentives exhibit a positive relationship. In addition, foreign ownership attenuates the effect of capital structure on transfer pricing. However, it does not play a moderating role in the relationship between free-float shares and transfer pricing, or in the relationship between tunneling incentives and transfer pricing.

Conclusions: Free-float shares and tunneling reduce transfer pricing practices, whereas tunneling incentives increase them. Foreign ownership weakens the leverage effect but does not moderate the influence of free-float shares or tunneling incentives.

Limitations: The firms from all industry sectors without distinguishing industry-specific characteristics, such as intangible asset intensity, cost structures, and cross-border transaction exposure. In addition, the linear regression model may not fully capture potential nonlinear relationships or endogeneity issues.

Contributions: This study contributes to the transfer pricing literature by introducing free-float shares as a novelty determinant and by clarifying the conditional role of foreign ownership within a moderating framework.

Keywords: *Capital Structure, Foreign Ownership, Free Float Shares, Transfer Pricing, Tunneling Incentives*

How to Cite: Satria, A.M., Wijaya, S., Irawan, F. (2025). Transfer Pricing Determinants in Indonesian Listed Firms. *Reviu Akuntansi, Manajemen, dan Bisnis (RAMBIS)*. (5) 2, 527-541

1. Introduction

Transfer pricing has gained growing significance amid rapid globalization, especially as multinational enterprises expand their operations across various countries ([Pamungkas & Nehayati, 2024](#)). Multinational enterprises widely employ transfer pricing as a tax minimization strategy by adjusting intra-group prices between countries with different tax regimes ([Anggraini, Herawati, Hapsari, & Chasanah, 2023](#); [Tarmidi, Fadjarenie, & Oktris, 2023](#)). This practice occurs when companies with special relationships negotiate specific prices with affiliated entities in jurisdictions with lower tax rates ([Isdiputra & Pangestuti, 2024](#)).

Consequently, companies can reduce their global tax liabilities by manipulating revenues and costs to report higher profits in low-tax countries and lower profits in high-tax countries ([Kumar, Pandey, Lim, Chatterjee, & Pandey, 2021](#)). These explanations clearly indicate that transfer pricing is a commonly

used scheme, as supported by [Sebele-Mpofu, Mashiri, and Schwartz \(2021\)](#). Transfer pricing practices directly harm government revenues. According to data from Tax Justice International, Indonesia suffered losses of USD 2,981 million in 2024, an increase from USD 2,736 million in 2023, due to transfer pricing practices. To address these revenue losses, the Indonesian government has introduced updated transfer pricing regulations.

One of the key policies is *Peraturan Menteri Keuangan No. 172/PMK.03/2023*, which governs the implementation of the arm's length principle in transactions involving related parties and supersedes earlier regulations, including *Peraturan Menteri Keuangan No. PMK-213/2016*, *PMK 49/2019*, and *PMK 22/2020*. This regulation is designed to ensure the fairness of related-party transactions, curb Base Erosion and Profit Shifting (BEPS), improve transparency and legal certainty, reinforce the supervisory authority of tax officials, and harmonize Indonesia's transfer pricing framework with international standards ([Heilbron, 2025](#)). ([Heilbron, 2025](#)).

The implementation of transfer pricing regulations is intended to address transfer pricing disputes. However, in practice, the tax authorities' success rate in transfer pricing litigation remains relatively low. Data from the Financial and Development Supervisory Agency indicate that tax disputes related to transfer pricing filed by the Directorate General of Taxes achieved a success rate of only 36.5% during 2020–2021. Moreover, notable cases highlight the magnitude of transfer pricing practices in Indonesia, such as PT Adaro Energy Tbk, which was reported to have engaged in tax avoidance through transfer pricing schemes involving its subsidiary in Singapore between 2009 and 2017, amounting to USD 125 million ([Sugianto, 2019](#)).

Although transfer pricing can directly harm state revenues, it is legally permitted as long as it complies with applicable regulations ([Herman, Nurmawati, Iryani, & Suhariyanto, 2023](#)). Certain tax regulations may indirectly encourage transfer pricing practices, such as the provision of lower corporate income tax rates for companies with free-float shares exceeding 40%. Free-float shares refer to the proportion of outstanding shares owned by the public and listed on the Indonesian Stock Exchange ([Sugiana, Purnamasari, & Purnomo, 2022](#)). This provision is stipulated in Law No. 7 of 2021 on the Harmonization of Tax Regulations, Article 17 paragraph (2b) of the Income Tax Law, which states that domestic corporate taxpayers in the form of publicly listed companies that meet specific criteria are eligible for a corporate income tax rate reduction of 3%, resulting in a tax rate of 19%.

Decisions to engage in transfer pricing may also be influenced by capital structure. Capital structure refers to the proportion of assets financed through debt and equity ([Cuevas-Vargas, Cortés-Palacios, & Lozano-García, 2022](#)). Firms with high leverage ratios tend to adopt more aggressive tax policies ([Zikri and Winarningsih \(2024\)](#)), as substantial interest expenses from debt financing may encourage companies to select accounting methods aimed at improving reported profits ([Tarmidi et al., 2023](#)). Previous studies have reported mixed findings regarding the relationship between capital structure and transfer pricing. [Sujana, Suardikha, and Saraswati \(2022\)](#) and [Tarmidi et al. \(2023\)](#) found no significant effect, whereas [Kananto \(2019\)](#) and [Zikri and Winarningsih \(2024\)](#) reported a positive relationship.

Tunneling incentives may serve as a key driver of transfer pricing practices, arising when controlling shareholders expropriate corporate resources by shifting profits from listed companies to affiliated non-listed entities or subsidiaries located in countries with more favorable tax regimes ([B. M. Putri & Evana, 2024](#)). Empirical evidence from [Farkhah Elfa, Ismaya Hasanudin, and Lestari \(2022\)](#) and [Herlina and Murniati \(2023\)](#) indicates that tunneling incentives significantly influence corporate transfer pricing decisions. Research by [Nurjannah, Muh Haekal, Renaldi, Munawir, and Rafiqah \(2022\)](#) and [Pamungkas and Nehayati \(2024\)](#) shows that tunneling incentives have no effect on a company's transfer-pricing policy.

The novelty of this study lies in the use of free-float shares as an independent variable, which has rarely been examined in prior transfer pricing research, as well as the incorporation of foreign ownership as a moderating variable affecting the relationship between tunneling incentives, capital structure, and transfer pricing decisions. Foreign ownership is considered an important factor within the strengthened

post-regulatory environment under *PMK No. 172/PMK.03/2023*. By integrating regulatory developments and ownership structure dynamics, this study provides a more comprehensive understanding of transfer pricing behavior among Indonesian listed firms. This approach is motivated by transfer pricing cases in Indonesia and inconsistent findings in prior studies ([Elfa, Hasanudin, & Lestari, 2022](#); [Herlina & Murniati, 2023](#); [Kananto, 2019](#); [Nurjannah et al., 2022](#); [Sujana et al., 2022](#); [Tarmidi et al., 2023](#); [Zikri & Winarningsih, 2024](#)). Regarding the effects of tunneling incentives and capital structure on transfer pricing. Therefore, this study proposes foreign ownership as a moderating variable to examine its role in shaping the relationship between tunneling incentives, capital structure, and transfer pricing. Therefore, this study proposes foreign ownership as a moderating variable to examine its role in shaping the relationship between tunneling incentives, capital structure, and transfer pricing.

This study investigates and analyzes the direct impact of free-float shares, capital structure, and tunneling incentives on transfer pricing decisions. Considering inconsistencies between prior empirical evidence and actual transfer pricing practices in Indonesia, foreign ownership is incorporated as a moderating variable. The study further examines indirect effects by assessing whether foreign ownership moderates the relationships between free-float shares, capital structure, tunneling incentives, and transfer pricing practices.

2. Literature Review and Hypothesis Development

2.1 Agency Theory

Agency theory explains two types of conflicts: first, conflicts of interest between agents (management) and principals (shareholders), and second, conflicts between majority and minority shareholders ([Jensen & Meckling, 1976](#)). In the context of transfer pricing practices, principals or controlling shareholders often have incentives to instruct management to shift profits to affiliated entities to reduce tax burdens, even though such actions may harm minority shareholders by reducing net income and the returns they are entitled to receive ([Nadhira & Asalam, 2024](#)). Furthermore, controlling shareholders may encourage firms to use transfer pricing as a mechanism to shift interest expenses and other obligations to affiliated entities, either for tax-saving purposes or to facilitate tunneling practices.

Within the framework of corporate governance in Indonesia, capital market regulations require publicly listed companies to maintain a minimum free float ranging from 7.5% to 40% to enhance market transparency. Empirical studies suggest that higher levels of public ownership are associated with stronger external monitoring. Consequently, free float can be viewed as an instrument for mitigating agency conflicts through market pressure and the involvement of minority investors. In addition, foreign ownership further enriches agency relationship dynamics. The presence of foreign investors is believed to introduce stricter governance practices and higher international transparency standards, thereby reducing opportunities for opportunistic transfer pricing manipulation ([Pradipta, Irawan, & Arieftiara, 2024](#)).

2.2 Transfer Pricing

Transfer pricing denotes the determination of intragroup transaction prices among affiliated parties, typically employed to minimize overall tax exposure through the relocation of profits to low-tax jurisdictions ([Ardiles, Yuliansyah, & Suhendro, 2024](#); [Kumar et al., 2021](#)). Relationships between affiliated entities, often termed special relationships, are governed by *Pasal 18 Ayat (3), (3a), dan (4) Undang-Undang Pajak Penghasilan (UU PPh)*. The regulatory framework for transfer pricing outlines several key components, including the criteria for identifying related parties, the tax authority's power to stipulate acceptable debt-to-equity ratios, and its authority to perform fiscal corrections when related-party transactions fail to adhere to the arm's - length principle.

According to *Pasal 18 Ayat (4) UU PPh*, a special relationship between corporate taxpayers may arise due to ownership or control of at least 25% of a company's shares by another entity, or where multiple entities have 25% or more of their shares owned by the same party. The assessment of price fairness in transfer pricing practices must be conducted in accordance with *Peraturan Menteri Keuangan (PMK) No. 172 Tahun 2023*. This regulation emphasizes that entities engaging in affiliated transactions are

required to document and demonstrate that the prices or profits generated comply with the arm's length principle. Accordingly, firms are obligated to perform a comparability analysis by comparing the prices or profits applied in related-party transactions with those occurring in comparable transactions between independent parties (uncontrolled transactions) ([Rifqiyati, Masripah, & Miftah, 2021](#)).

2.3 Free Float Shares

Free-float shares represent the proportion of shares owned by the public and actively traded in the secondary market. This concept reflects the level of market liquidity and ownership dispersion within a publicly listed company. In the Indonesian capital market, the level of free float is typically determined and explicitly disclosed at the time of an Initial Public Offering (IPO). However, ownership structures are dynamic, and the proportion of free-float may increase over time as a result of corporate policies aimed at expanding the investor base, enhancing stock liquidity, or meeting eligibility requirements for inclusion in various domestic and international indices.

An increase in the free-float ratio often has significant strategic implications. Empirical evidence suggests that global indices, such as the MSCI Emerging Market Index and the FTSE Global Equity Index Series, require a minimum level of free-float for a firm to be included. Inclusion in international indices enhances a firm's visibility and credibility among global investors, thereby expanding access to international capital. Simultaneously, greater public ownership has the potential to strengthen market-monitoring mechanisms and reduce the dominance of controlling shareholders over managerial decisions, including tax policies and earnings management practices.

From a tax regulation perspective, fiscal incentives stipulated under the Harmonization of *Undang-Undang Pajak Penghasilan (UU HPP) No. 7 Tahun 2021*, specifically *Pasal 17 Ayat (2b) UU PPh*, provide a reduced corporate income tax rate of 3% below the general rate for publicly listed companies that meet certain criteria, including minimum public shareholding requirements. This policy is designed to encourage companies to go public and broaden public participation in the capital market. However, the availability of such tax incentives may also create tax planning motivations, whereby firms potentially utilize transfer pricing mechanisms to optimize tax burdens across entities within the same business group.

An increase in free-float shares may influence transfer pricing practices through two primary mechanisms. First, heightened market pressure and public transparency encourage management to exercise greater caution in engaging in manipulative practices that may attract scrutiny from tax authorities or investors. In contrast, incentives to maintain consolidated earnings performance and benefit from preferential tax rates may motivate firms to engage in profit shifting from non-listed subsidiaries to listed parent companies that enjoy tax advantages.

Although increased public ownership may enhance market monitoring and transparency, the specific tax incentives embedded in Indonesia's regulatory framework may simultaneously create economic incentives for profit shifting. Therefore, in the context of *Undang-Undang Pajak Penghasilan No. 7 Tahun 2021*, the relationship between free-float shares and transfer pricing is expected to reflect tax optimization behavior within affiliated business groups.

H₁: Free-float shares have a positive effect on transfer pricing practices.

2.4 Capital Structure

Capital structure represents the combination of internal and external financing sources used by a company to fund its operational activities and long-term investments ([Hasti, Maryani, & Makshun, 2022](#); [Rachman & Romadhina, 2023](#)). These funding sources generally consist of two main components: internal financing, such as the issuance of new shares, and external financing, primarily obtained through debt arrangements ([Fajaryani & Suryani, 2018](#)). Multinational corporations commonly finance their group members through debt and/or equity transfers. When multinational firms choose to rely on related-party debt financing, particularly loans provided by foreign parent companies, they may face implications related to profit-shifting practices. This occurs because higher levels of debt lead to greater interest expenses, which in turn reduce taxable income ([Kananto, 2019](#)). This situation

motivates firms to design financing policies that enhance tax efficiency. Pursuant to *Peraturan Menteri Keuangan* however, disparities in tax rates across countries may still prompt multinational enterprises to strategically distribute debt among affiliated entities to achieve overall tax advantages. However, disparities in tax rates across countries may still prompt multinational enterprises to strategically distribute debt among affiliated entities to achieve overall tax advantages.

From the perspective of agency theory, debt financing decisions are not merely viewed as financial strategies but also as mechanisms for controlling managerial behavior. However, tax-related motivations often influence such decisions in multinational enterprises. Firms operating in high-tax jurisdictions tend to use intragroup loans from affiliated entities located in low-tax countries to shift profits through interest payments. Companies facing higher tax burdens are more likely to engage in aggressive tax planning strategies to reduce their tax liabilities, indicating a higher degree of tax aggressiveness ([Siregar & Widyawati, 2016](#)). Based on the above discussion, capital structure is expected to encourage the adoption of transfer pricing practices.

H₂: Capital structure positively affects transfer pricing practices.

2.5 Tunneling Incentives

Tunneling incentives refer to the tendency of controlling shareholders to appropriate company resources for personal benefits or affiliated entities, potentially disadvantaging minority shareholders ([Pamungkas & Nehayati, 2024](#)). This situation generally occurs in companies characterized by concentrated ownership, where dominant shareholders hold significant authority over strategic and operational decisions. Under such conditions, controlling shareholders have greater opportunities to engage in resource diversion practices, either directly or indirectly, which are often disguised through transfer pricing mechanisms.

Controlling shareholders tend to shift corporate profits to entities under their control by setting transfer prices above market values, maintaining managerial positions despite declining competence, or transferring corporate assets to affiliated companies ([Maryanti & Munandar, 2024](#)). From an agency theory perspective, this condition represents a divergence of interests between dominant and minority shareholders, often described as a principal–principal agency conflict. Most shareholders are strategically positioned to influence managerial decisions, including transfer pricing policies, to divert profits or assets from publicly owned firms to entities that are fully controlled by them.

Such behavior represents an expropriation of minority interests, which undermines corporate governance effectiveness and harms minority shareholders. Empirical findings support this perspective. Research conducted by [Maryanti and Munandar \(2024\)](#) and [W. C. Putri and Lindawati \(2023\)](#) that tunneling incentives with transfer pricing behavior. In contrast, drawing on the preceding arguments, tunneling incentives are anticipated to increase the likelihood of firms [Herlina and Murniati \(2023\)](#) engaging in transfer pricing practices. These inconsistent results highlight the necessity for further empirical investigation. Drawing on the preceding arguments, tunneling incentives are anticipated to increase the likelihood of firms engaging in transfer pricing practices.

H₃: Tunneling incentives have a positive effect on transfer pricing.

2.6 Foreign Ownership

Foreign ownership refers to the proportion of a company's shares held by individuals or corporate entities originating from foreign jurisdictions ([Na, Yuliansyah, & Oktavia, 2025](#); [Yustia & Khomsiyah, 2024](#)). In the Indonesian context, foreign ownership plays a particularly important role because of the significant presence of multinational enterprises operating through subsidiaries listed on the Indonesia Stock Exchange. These firms frequently engage in cross-border transactions with affiliated entities, increasing their exposure to transfer pricing practices.

The presence of foreign shareholders can introduce new forms of agency conflicts, especially in MNCs characterized by complex cross-border transactions. When foreign shareholders act as controlling owners, they can leverage their strategic positions to maximize the economic benefits gained from controlling companies in the host country. One mechanism often used is transfer pricing, through which

profits are shifted between affiliated entities across national borders. By shifting profits from entities located in jurisdictions with high tax rates to entities in jurisdictions with low tax rates, controlling foreign shareholders can optimize overall tax efficiency. Indonesian corporations have relatively higher tax rates than some regional tax jurisdictions, making the incentive to shift profits through transfer pricing or intercompany financing arrangements more prominent. This behavior reflects an agency conflict between majority foreign shareholders and minority shareholders, as the benefits of profit shifting are not always shared proportionally.

While agency theory implies that foreign ownership affects transfer pricing behavior, prior empirical evidence has not provided consistent conclusions. For instance [Hidayah et al. \(2025\)](#) document no significant association between foreign ownership and transfer pricing, whereas [Isdiputra and Pangestuti \(2024\)](#) report a negative effect. The divergence in these findings indicates the need for additional empirical assessments, particularly to explore whether foreign ownership functions as a moderating factor in the relationship between firm-specific characteristics and transfer pricing decisions. Therefore, this study incorporates foreign ownership as a moderating variable and develops the following hypotheses:

- H_4 : Foreign ownership strengthens the relationship between free-float shares and transfer pricing.
- H_5 : Foreign ownership strengthens the relationship between capital structure and transfer pricing.
- H_6 : Foreign ownership strengthens the relationship between tunneling incentives and transfer pricing.

3. Methodology

This study adopts a quantitative design using secondary data derived from the financial statements and annual reports of firms listed on the Indonesian Stock Exchange (IDX). The quantitative method is employed to test causal relationships among variables and to evaluate the magnitude of the effects between the constructs specified in the research hypotheses. The population comprises all companies listed on the IDX during 2023–2024, amounting to 1,847 firms. Of these, 1,635 companies were selected as the sample through purposive sampling based on predetermined criteria: (1) the firms must remain listed on the IDX throughout the observation period and (2) they must provide complete and accessible annual financial statements and annual reports for 2023–2024.

This study utilizes Moderated Regression Analysis (MRA) to assess whether foreign ownership moderates the relationship between independent variables, such as free float shares, capital structure, and tunneling incentives, and the dependent variable, transfer pricing. This analytical technique is chosen to capture interaction effects more effectively and to provide a deeper understanding of how foreign ownership shapes the association between firm-level characteristics and transfer pricing practices.

The transfer pricing measurement in this study follows the approach adopted by [Suhartono, Herdianova, Yanti, Hakim, and Kuspriyono \(2022\)](#) and is formulated as follows:

$$\text{Transfer Pricing} = \frac{\text{Receivable Related Parties}}{\text{Total Receivable}} \quad (1)$$

The measurement of freely tradable shares is based on Law No. 7 of 2021 concerning the Harmonization of Tax Regulations, specifically the provisions relating to tax incentives granted to public companies that meet the minimum requirement of freely tradable shares of more than 40% to receive a tax incentive of 19%.

$$\text{Free Float Shares} = \frac{\text{Total Public Share}}{\text{Total Share}} \quad (2)$$

Capital structure is measured using the Debt-To-Equity Ratio (DER), as employed by [Fajaryani and Suryani \(2018\)](#), which is formulated as follows:

$$\text{Capital Structure} = \frac{\text{Total Debt}}{\text{Total Equity}} \quad (3)$$

The tunneling incentives are measured using the proxy developed by [Nadhira and Asalam \(2024\)](#) and are formulated as follows:

$$\text{Tunneling Incentives} = \frac{\text{largest shareholder}}{\text{Total Share}} \quad (4)$$

Foreign ownership is measured based on the approach used by [Isdiputra and Pangestuti \(2024\)](#) and is formulated as follows

$$\text{Foreign Ownership} = \frac{\text{Total Foreign Shareholders}}{\text{Total Share}} \quad (5)$$

The regression model employed in this study consists of three independent variables and one moderating variable, which can be formulated as follows

$$TP_{it} = \alpha + \beta_1 FFS_{it} + \beta_2 CS_{it} + \beta_3 TI_{it} + \beta_4 FFS_{it} * FO_{it} + \beta_5 CS_{it} * FO_{it} + \beta_6 TI_{it} * FO_{it} + e \quad (6)$$

Notes

- TP = Transfer Pricing
- FFS = Free Float Share
- CS = Capital Structure
- FO = Foreign Ownership
- α = Constanta
- β = Regression Coefficient
- e = Error

4. Results and Discussions

4.1 Result

4.1.1 Descriptive Statistical Test

Table 1. Statistic descriptive

Variable	Obs	Mean	Min	Max	Std Dev
TP	1635	0,15	-	1,00	0,26
CS	1635	1,49	26,65	190,31	5,65
FF	1635	0,26	0,00	1,00	0,16
TI	1635	0,57	0,12	1,00	0,19
CSFO	1635	0,27	21,69	44,47	1,72
FFFO	1635	0,02	-	0,70	0,05
TIFO	1635	0,08	-	0,99	0,19

Table 1 presents the results of the descriptive statistical analysis. The mean value of the Transfer Pricing (TP) variable is 0.15, indicating that, on average, companies listed on the Indonesia Stock Exchange engage in related-party transactions involving receivables amounting to approximately 15 percent. This value suggests a relatively low level of transfer pricing practices. The standard deviation of 0.26, which exceeds the mean, indicates considerable variation in firms' transfer pricing policies. The Capital Structure (CS) variable shows a mean value of 1.49, suggesting that firms tend to rely more heavily on debt in their financing structure. In addition, the standard deviation of 5.65 indicates a high level of variability in leverage ratios, which may be associated with tax management strategies through interest expense deductions. The Free Float (FF) variable has a mean value of 0.26, implying that most companies listed on the Indonesia Stock Exchange have not fully utilized the tax incentive stipulated

under Law No. 7 of 2021, which provides a reduced corporate income tax rate of 19 percent for eligible publicly listed firms.

4.1.2 Normality Test

Table 2. Normality test

Variable	Obs	Sig
Data Residual	1635	0,0000

Table 2 shows a significant value of 0.000, which is lower than the significance level of 0.05. The results imply that the data employed in this research deviate from normality. Although there are abnormal residuals in this study, the assumption of normality is not necessary for the validity of the regression estimators in large samples. The normality assumption is not required for the validity of regression estimators in large samples because of the Central Limit Theorem. Prior research has shown that violations of the normality assumption do not significantly impact regression estimates when the sample size is sufficiently large, and focusing solely on normality transformations may introduce bias ([Schmidt & Finan, 2018](#)).

4.1.3 Multicollinearity Test

Table 3. Multicollinearity test

Variable	Obs	VIF
CS	1635	1,17
FF	1635	1,24
TI	1635	1,16
CSFO	1635	1,33
dFFFO	1635	1,82
TIFO	1635	2,15

Table 3 shows that all Variance Inflation Factor (VIF) values are below the threshold of 10, suggesting that the independent variables do not exhibit strong intercorrelations. Therefore, the regression model does not suffer from multicollinearity problems.

4.1.4 Autocorrelation Test

Table 4. Autocorrelation test

Sig
0,0000

Table 4 shows a significant value of 0.000, which is lower than the significance level of 0.05, indicating the presence of autocorrelation in the data. However, this study uses robust standard errors to correct for potential bias in standard errors caused by autocorrelation, so that the statistical significance of the regression results remains valid.

4.1.5 Heteroskedasticity Test

Table 5. Heteroskedasticity test

Sig
0,0000

Similarly, Table 5 shows a significant value of 0.000, which is below the significance level of 0.05, indicating heteroscedasticity in the data. To address this issue, this study uses robust standard errors, which effectively correct for biases associated with heteroscedasticity and maintain the validity of statistical inferences.

4.1.6 Result Moderated Regression Analysis

Table 6. Result regresi robust

Variable	Obs	Coefficient	Sig.
CS	1635	- 0,001	0,056
FF	1635	- 0,074	0,044
TI	1635	0,120	-
CSFO	1635	- 0,007	0,004
FFFO	1635	- 0,157	0,203
TIFO	1635	- 0,011	0,402

Table 6 reports the regression outcomes. The Capital Structure (CS) variable has a significance level of 0.056, which is below the 10% threshold, and a coefficient of -0.001 . This result indicates a statistically significant negative association between capital structure and Transfer Pricing (TP). The Free Float (FF) variable shows a p-value of 0.044, below the 5% significance level, with a coefficient of -0.074 , suggesting that a higher free float is significantly related to lower TP activities. Tunneling Incentives (TI) display a highly significant p-value of 0.000 (below 1%) and a positive coefficient of 0.120, demonstrating a significant positive effect on TP.

Regarding the interaction effects, the CSFO term yields a significant value of 0.004, which is below the 1% level, with a coefficient of -0.007 . This finding implies that foreign ownership significantly moderates the relationship between capital structure and TP. Conversely, the interaction terms FFFO and TIFO present p-values exceeding 0.10, with coefficients of -0.157 and -0.011 , respectively, indicating that foreign ownership does not significantly moderate the association between free float and TP, nor between tunneling incentives and TP.

4.2 Discussion

4.2.1 Free Float Has a Significant Effect on Transfer Pricing

Referring to the findings reported in Table 6, free-float shares are shown to have a statistically significant negative relationship with transfer pricing, rejecting H_1 . This outcome suggests that an increase in the proportion of shares held by public investors reduces the likelihood of companies engaging in transfer pricing activities. An increase in public ownership enhances transparency and strengthens market monitoring of managerial activities, thereby limiting managerial discretion to engage in potentially opportunistic related-party transactions. This condition is consistent with agency theory, which posits that dispersed ownership can mitigate managerial behavior that may harm minority shareholders.

Furthermore, under Law Number 7 of 2021 on the Harmonization of Tax Regulations, publicly listed companies that meet certain criteria, including a minimum free float of 40 percent, are eligible for a corporate income tax rate reduction of 3% from the statutory rate, resulting in an effective tax rate of 19%. The availability of this tax incentive reduces firms' motivation to engage in transfer pricing as a tax avoidance mechanism, as the tax burden has already been legally reduced through fiscal policy. Consequently, companies with a greater proportion of publicly traded shares are more likely to utilize legitimate and transparent tax incentives instead of engaging in aggressive tax avoidance mechanisms, including transfer pricing.

4.2.2 Capital Structure Has a Significant Effect on Transfer Pricing

As shown in Table 6, capital structure was found to have a statistically significant negative relationship with transfer pricing, rejecting H_2 . This outcome suggests that firms with greater reliance on debt financing tend to exhibit a lower propensity to engage in transfer pricing activities. Firms with high leverage tend to incur substantial interest expenses, which reduce taxable income through internal

financing mechanisms ([Kananto, 2019](#)). Under such conditions, the incentive to engage in transfer pricing as a tax avoidance strategy diminishes, as profit reduction has already occurred internally.

Moreover, transfer pricing is generally employed to suppress reported profits to minimize tax liabilities. If highly leveraged firms continue to engage in transfer pricing, corporate profits may be excessively eroded, thereby increasing the risk of financial losses. For companies listed on the Indonesia Stock Exchange, such losses may negatively affect firm value and investor perceptions, which contradicts shareholders' objectives of maximizing firm value and protecting long-term corporate performance ([Jensen & Meckling, 1976](#); [Nguyen, Locke, & Reddy, 2015](#)). The findings of this study differ from those reported by [Sari and Djohar \(2022\)](#), who found that capital structure, measured by the debt-to-equity ratio (DER), exerts a significant positive influence on transfer pricing. Such discrepancies may stem from differences in sample composition, institutional environments, and the time frame of analysis, which potentially explain the variation in empirical results.

4.2.3 Tunneling Incentives Have a Significant Effect on Transfer Pricing

Referring to the results in Table 6, tunneling incentives are shown to exert a significant positive influence on transfer pricing, supporting H_3 . This indicates that greater ownership concentration among controlling shareholders is associated with a higher probability of firms undertaking transfer pricing activities. Such practices are commonly observed in companies listed on the Indonesian Stock Exchange with concentrated ownership structures, particularly when firms are controlled by foreign shareholders domiciled in jurisdictions with lower tax rates. Under these circumstances, transfer pricing is used as a mechanism to shift profits among entities within the same business group to maximize the economic benefits accruing to controlling shareholders.

Within the agency theory framework, divergences of interest often occur between the controlling and minority shareholders. Dominant owners have not only the motivation, but also the authority to undertake tunneling actions that may disadvantage minority investors. One manifestation of this tunneling behavior is the increased use of transfer pricing to reduce corporate tax burdens, thereby lowering the reported profits and diminishing the value attributable to minority shareholders. The results align with the studies conducted by [Farkhah Elfa et al. \(2022\)](#) and [Sujana et al. \(2022\)](#), which also identify a significant positive association between tunneling incentives and transfer pricing behavior. This alignment strengthens the view that concentrated ownership plays an important role in driving opportunistic corporate actions, particularly in relation to transfer pricing decisions.

4.2.4 Foreign Ownership Moderates the Relationship between Capital Structure and Transfer Pricing

As presented in Table 6, foreign ownership reduces the strength of the relationship between capital structure and transfer pricing. This suggests that the presence of foreign investors changes the transmission mechanism through which financing decisions shape transfer pricing practices. In firms with high levels of foreign ownership, debt financing, particularly related-party debt, is frequently utilized as the primary instrument for profit shifting. Multinational corporations tend to obtain financing from affiliated entities located in jurisdictions with lower tax rates, allowing interest expenses to serve as a tool for reducing taxable income in countries with higher tax rates ([Buettner, Overesch, Schreiber, & Wamser, 2012](#); [Desai, Foley, & Hines Jr, 2004](#))

Consequently, the role of capital structure as a determinant of transfer pricing becomes less dominant when foreign ownership is high, as tax avoidance strategies are more likely to be implemented through intra-group financing schemes rather than through direct manipulation of transfer prices. Thus, foreign ownership does not strengthen but instead weakens the effect of capital structure on transfer pricing practices. From an agency theory perspective, foreign controlling shareholders possess both the incentive and the capability to coordinate cross-entity financing and tax policies within a business group to maximize global firm value. Such strategies are often more difficult for tax authorities to detect than transfer pricing practices involving goods and services transactions, making them a more efficient option for multinational firms ([Jensen & Meckling, 1976](#); [Richardson, Taylor, & Lanis, 2013](#)).

4.2.5 Foreign Ownership Does Not Moderate the Relationship between Free Float and Transfer Pricing

As shown in Table 6, foreign ownership fails to demonstrate a moderating effect on the relationship between free-float shares and transfer pricing. This implies that the presence of foreign investors does not significantly affect how public shareholding proportions shape transfer pricing behavior. Free-float shares generally reflect public share ownership with relatively small ownership proportions, typically below 5%. Consequently, shareholders in this category do not possess significant control rights in strategic corporate decision-making ([Claessens, Djankov, & Lang, 2000](#); [La Porta, Lopez-de-Silanes, & Shleifer, 1999](#)). Under these conditions, foreign ownership that falls within the free-float category lacks sufficient power to influence managerial policies, including transfer pricing decisions.

The entry of foreign investors with minority ownership stakes does not necessarily enhance their ability to control operational decisions and corporate tax policies. Prior studies suggest that the influence of foreign ownership on corporate policies becomes significant only when foreign investors hold controlling rights or occupy the positions of controlling shareholders ([Gugler & Yurtoglu, 2003](#); [Richardson et al., 2013](#)). Therefore, although foreign ownership may affect transfer pricing practices when it functions as controlling ownership, its role becomes insignificant when foreign shareholdings are limited to dispersed public ownership. This finding is consistent with agency theory, which emphasizes that shareholders' ability to influence corporate policies is largely determined by the extent of their control rights ([Jensen & Meckling, 1976](#)).

4.2.6 Foreign Ownership Does Not Moderate the Relationship between Tunneling Incentives and Transfer Pricing

As indicated in Table 6, foreign ownership fails to moderate the association between tunneling incentives and transfer pricing. This finding implies that foreign investors do not materially influence the extent to which tunneling motives drive transfer pricing behavior. This result can be explained by the ownership structure of companies listed on the Indonesian Stock Exchange, in which foreign investors do not necessarily control the largest shareholdings. In many cases, corporate control remains in the hands of domestic controlling shareholders or specific business groups. Consequently, strategic corporate policies, including transfer pricing decisions, are more strongly determined by primary controlling shareholders than by foreign investors, who do not possess dominant control rights.

From an agency theory perspective, tunneling practices are highly influenced by ownership concentration and the extent of control rights held by controlling shareholders. When foreign ownership does not function as controlling ownership, foreign investors' incentives and ability to influence tunneling activities, including those conducted through transfer pricing, become limited. Consequently, the presence of foreign ownership does not significantly alter the relationship between tunneling incentives and transfer pricing. This finding is consistent with prior studies, which suggest that the influence of foreign ownership on opportunistic corporate behavior depends on the extent of control rights and the effectiveness of corporate governance mechanisms. When foreign investors hold only minority ownership without dominant control, their ability to influence strategic policies, including transfer pricing decisions, tends to be limited ([Azis, 2024](#); [Claessens et al., 2000](#); [Gugler & Yurtoglu, 2003](#)).

5. Conclusions

5.1 Conclusion

The findings have important implications for firms and regulators in Indonesia. First, free-float shares negatively affect transfer pricing, indicating that greater public ownership enhances transparency and market monitoring. This suggests that policies under Law Number 7 of 2021 encouraging broader public shareholding not only provide tax incentives but also strengthen corporate governance by limiting opportunistic related-party transactions. Second, capital structure negatively influences transfer pricing, implying that firms with higher leverage rely more on interest deductions than profit shifting. For regulators, this highlights the need to monitor intra-group financing alongside transfer pricing practices.

For firms, financing decisions must align with tax compliance and governance standards. Third, tunneling incentives positively affect transfer pricing, confirming the persistence of principal-principal agency conflicts in Indonesia's concentrated ownership structure. This underscores the urgency of strengthening independent oversight, audit committees, and disclosures of related-party transactions to protect minority shareholders. Finally, foreign ownership weakens the relationship between capital structure and transfer pricing but does not moderate other effects, indicating a limited governance effect when foreign investors do not control. Overall, this study reinforces the importance of ownership transparency, regulatory enforcement, and stronger governance mechanisms.

5.2 Research Limitations

This study also has limitations related to its scope and analytical approach. First, the study covers all industrial sectors without differentiating them based on industrial characteristics; thus, differences in the intensity of intangible assets, cost structures, and the level of cross-border transaction involvement between industries have the potential to affect variations in transfer pricing practices that are not fully captured in the research model. Furthermore, although the study has addressed violations of classical assumptions such as heteroscedasticity and autocorrelation through the use of robust standard errors, the regression model used is still linear and is not yet fully capable of capturing possible non-linear relationships or endogeneity dynamics between the research variables

5.3 Suggestions and Directions for Future Research

Future investigations should consider a longer research period to observe the dynamic effects of post-reform tax policies under the Harmonization of Tax Regulations framework. Additionally, distinguishing between controlling and non-controlling foreign ownership and applying broader proxies for transfer pricing, such as profitability ratios or related-party transaction values, may provide deeper empirical insights.

Acknowledgements

The author conveys heartfelt gratitude to Allah SWT for the guidance and blessings that have enabled the completion of this study. The author is also profoundly thankful to the supervising lecturer for providing insightful direction, constructive feedback, and consistent support throughout the research process. Sincere appreciation is extended to the author's parents for their constant prayers, motivation, and unwavering moral encouragement.

Author Contribution

AMS was responsible for conceptualizing and drafting the manuscript, including the introduction, methodology, results, discussion, and conclusion sections. SW contributed to the validation of the research findings and critically reviewed the discussion to ensure analytical accuracy and coherence. FI conducted the manuscript review and editing, as well as completed and refined sections to address gaps and improve the overall quality of the article.

References

- Anggraini, W., Herawati, R., Hapsari, D. I., & Chasanah, A. N. (2023). Pengaruh Pajak, Kepemilikan Asing, dan Ukuran Perusahaan Terhadap Transfer Pricing: Studi Kasus Pada Sektor Basic Materials dan Industrials yang Terdaftar Di Bursa Efek Indonesia Tahun 2017-2021. *Journal of Business, Finance, and Economics (JBFE)*, 4(2), 393-405. doi:<https://doi.org/10.32585/jbfe.v4i2.4777>
- Ardiles, M., Yuliansyah, Y., & Suhendro, S. (2024). The Effect of Transfer Pricing, Thin Capitalization, Deferred Tax, and Inventory Intensity on Tax Avoidance. *Journal of Multidisciplinary Academic and Practice Studies*, 2(2), 105-122. doi:<https://doi.org/10.35912/jomaps.v2i2.2137>
- Azis, S. N. (2024). Tax Havens, Foreign Ownership, and Transfer Pricing: The Moderating Role of Good Corporate Governance. *E-Jurnal Akuntansi*, 34(11). doi:<https://doi.org/10.24843/EJA.2024.v34.i11.p09>

- Buettner, T., Overesch, M., Schreiber, U., & Wamser, G. (2012). The Impact of Thin Capitalization Rules on The Capital Structure of Multinational Firms. *Journal of Public Economics*, 96(11-12), 930-938. doi:<https://doi.org/10.1016/j.jpubeco.2012.06.008>
- Claessens, S., Djankov, S., & Lang, L. H. (2000). The Separation of Wwnership and Control in East Asian Corporations. *Journal of financial Economics*, 58(1-2), 81-112. doi:[https://doi.org/10.1016/S0304-405X\(00\)00067-2](https://doi.org/10.1016/S0304-405X(00)00067-2)
- Cuevas-Vargas, H., Cortés-Palacios, H. A., & Lozano-García, J. J. (2022). Impact of Capital Structure and Innovation on Firm Performance. Direct and Indirect Effects of Capital Structure. *Procedia computer science*, 199, 1082-1089. doi:<https://doi.org/10.1016/j.procs.2022.01.137>
- Desai, M. A., Foley, C. F., & Hines Jr, J. R. (2004). A Multinational Perspective on Capital Structure Choice and Internal Capital Markets. *The Journal of finance*, 59(6), 2451-2487. doi:<https://doi.org/10.1111/j.1540-6261.2004.00706.x>
- DP-60, D. o. t. P. o. t. R. o. U. N. (2022). On the Development Strategy of the New Uzbekistan for 2022 – 2026. Retrieved from <https://lex.uz/ru/docs/-5841063>
- Elfa, E. F., Hasanudin, A. I., & Lestari, T. L. (2022). Transfer Pricing Policy: The Role of Taxes, Incentive Tunneling and Bonus Mechanism. *Journal of Applied Business, Taxation and Economics Research*, 1(6), 553-565. doi:<https://doi.org/10.54408/jabter.v1i6.101>
- Fajaryani, N. L. G. S., & Suryani, E. (2018). Struktur Modal, Likuiditas, dan Ukuran Perusahaan Terhadap Kinerja Keuangan Perusahaan. *JRAK*, 10(2), 74-79. doi:<https://doi.org/10.23969/jrak.v10i2.1370>
- Farkhah Elfa, E., Ismaya Hasanudin, A., & Lestari, T. L. (2022). Transfer Pricing Policy: The Role of Taxes, Incentive Tunneling and Bonus Mechanism. *Journal of Applied Business, Taxation and Economics Research*, 1(6), 553-565. doi:<https://doi.org/10.54408/jabter.v1i6.101>
- Gugler, K., & Yurtoglu, B. B. (2003). Corporate Governance and Dividend Pay-Out Policy in Germany. *European economic review*, 47(4), 731-758. doi:[https://doi.org/10.1016/S0014-2921\(02\)00261-2](https://doi.org/10.1016/S0014-2921(02)00261-2)
- Hasti, W. W., Maryani, M., & Makshun, A. (2022). Pengaruh leverage, Struktur Modal, dan Ukuran Perusahaan Terhadap Kinerja Keuangan Pada Perusahaan Sektor Pertambangan. *Reviu Akuntansi, Manajemen, Dan Bisnis*, 2(2), 139-150. doi:<https://doi.org/10.35912/rambis.v2i2.1544>
- Heilbron, F. E. (2025). Analisis Perubahan Ketentuan Transfer Pricing dalam Peraturan Menteri Keuangan No. 172 Tahun 2023 dengan Peraturan yang Digantikannya. *EKOMA: Jurnal Ekonomi, Manajemen, Akuntansi*, 4(3), 4958-4970. doi:<https://doi.org/10.56799/ekoma.v4i3.6512>
- Herlina, H., & Murniati, S. (2023). Effect Of Effective Tax Rate, Tunneling Incentive, And Bonus Mechanism On Transfer Pricing Decision. *Atestasi: Jurnal Ilmiah Akuntansi*, 6(2), 403-418. doi:<https://doi.org/10.57178/atestasi.v6i2.696>
- Herman, K., Nurmawati, B., Iryani, D., & Suhariyanto, D. (2023). Tindak Pidana Perpajakan Yang Merugikan Keuangan Negara Atas Penyalahgunaan Transfer Pricing Untuk Penghindaran Pajak. *JPPi (Jurnal Penelitian Pendidikan Indonesia)*, 9(3), 1523-1532. doi:<https://doi.org/10.29210/020232796>
- Hidayah, R., Suryandari, D., Yanto, H., Sa'dulloh, A., Suryarini, T., Wahyuningrum, I. F. S., Nugraha, S. A. A. (2025). The Influence Of Foreign Ownership And Debt Covenant On Transfer Pricing: A Study Of Corporate Governance. *Journal of Governance and Regulation/Volume*, 14(2). doi:<https://doi.org/10.22495/jgrv14i2art5>
- Isdiputra, F., & Pangestuti, I. R. D. (2024). The Effect of Foreign Ownership, Bonuses, and Company Size on Transfer Pricing. *Research Horizon*, 4(6), 17-24. doi:<https://doi.org/10.54518/rh.4.6.2024.387>
- Jensen, M. C., & Meckling, W. H. (1976). Theory of The Firm: Managerial Behavior, Agency Costs and Ownership Structure. *Corporate governance*, 77-132. doi:https://doi.org/10.1007/978-94-009-9257-3_8
- Kananto, S. (2019). The Influences of Tax, Bonus Mechanism, Leverage and Company Size Through Company Decision on Transfer Pricing. *5th Annual International Conference on Accounting Research (AICAR 2018)*, 207-212. doi:<https://doi.org/10.2991/aicar-18.2019.45>

- Kumar, S., Pandey, N., Lim, W. M., Chatterjee, A. N., & Pandey, N. (2021). What Do We Know About Transfer Pricing? Insights from Bibliometric Analysis. *Journal of Business Research*, 134, 275-287. doi:<https://doi.org/10.1016/j.jbusres.2021.05.041>
- La Porta, R., Lopez-de-Silanes, F., & Shleifer, A. (1999). Corporate Ownership Around The World. *The Journal of finance*, 54(2), 471-517. doi:<https://doi.org/10.1111/0022-1082.00115>
- Maryanti, C. S., & Munandar, A. (2024). The Effect Of Taxes, Tunneling Incentives, Bonus Mechanism, Leverage On Transfer Pricing. *Jurnal Akuntansi*, 28(1), 147-165. doi:<https://doi.org/10.24912/ja.v28i1.1797>
- Na, M. D., Yuliansyah, Y., & Oktavia, R. (2025). The Impact of Fiscal Loss Compensation and Corporate Governance on Tax Avoidance: The Moderating Role of Foreign Share Ownership. *Global Academy of Multidisciplinary Studies*, 2(1), 1-19. doi:<https://doi.org/10.35912/gams.v2i1.3391>
- Nadhira, I. R., & Asalam, A. G. (2024). Transfer Pricing Decisions: Tax Income, Exchange Rate, Tunneling Incentive and Multinationality. *Jurnal Akuntansi*, 28(3), 537-555. doi:<https://doi.org/10.24912/ja.v28i3.1667>
- Nguyen, T., Locke, S., & Reddy, K. (2015). Ownership Concentration and Corporate Performance from a Dynamic Perspective: Does National Governance Quality Matter? *International review of financial analysis*, 41, 148-161. doi:<https://doi.org/10.1016/j.irfa.2015.06.005>
- Nurjannah, Muh Haekal, Y., Renaldi, R., Munawir, M., & Rafiqah, A. (2022). Factor Supporting Companies Performing Transfer Pricing. *Jurnal Akuntansi*, 26(1), 76 - 91. doi:<https://doi.org/10.24912/ja.v26i1.818>
- Pamungkas, I. D., & Nehayati, N. (2024). Optimizing Transfer Pricing in Indonesia: An Exploring of Tax Minimization, Tunneling Incentive, and Audit Committees. *Sriwijaya International Journal of Dynamic Economics and Business*, 253-274. doi:<https://doi.org/10.29259/sijdeb.v8i3.253-274>
- Pradipta, K. A., Irawan, F., & Ariefiara, D. (2024). The Influence of Capital Intensity, Advertising Intensity and Transfer Pricing on Tax Aggressiveness. *Jurnal Akuntansi, Keuangan, dan Manajemen*, 5(3), 223-234. doi:<https://doi.org/10.35912/jakman.v5i3.3119>
- Putri, B. M., & Evana, E. (2024). The Effect of Transfer Pricing, Tunneling Incentive, Thin Capitalization, and Capital Intensity Against Tax Avoidance. *Journal La Sociale*, 5(3), 550-563. doi:<https://doi.org/10.37899/journal-la-sociale.v5i3.1164>
- Putri, W. C., & Lindawati, L. (2023). Pengaruh Tax Minimization, Exchange Rate dan Tunneling Incentive Terhadap Keputusan Transfer Pricing. *Scientific Journal of Reflection: Economic, Accounting, Management and Business*, 6(1), 195-204. doi:<https://doi.org/10.37481/sjr.v6i1.634>
- Rachman, A. N., & Romadhina, a. p. (2023). Pengaruh Beban Pajak, Mekanisme Bonus, Dan Struktur Modal Terhadap Transfer Pricing: Studi Empiris Pada Perusahaan Industri Barang Konsumsi di Bursa Efek Indonesia Tahun 2017-2021. *JAE-TAMANSS*, 1(01). doi:<https://doi.org/10.25139/jaap.v5i1.3638>
- Richardson, G., Taylor, G., & Lanis, R. (2013). Determinants of Transfer Pricing Aggressiveness: Empirical Evidence from Australian Firms. *Journal of Contemporary Accounting & Economics*, 9(2), 136-150. doi:<https://doi.org/10.1016/j.jcae.2013.06.002>
- Rifqiyati, R., Masripah, M., & Miftah, M. (2021). Pengaruh Pajak, Multinasionalitas, Dan Tunneling Incentive Terhadap Keputusan Transfer Pricing. *Jurnal Akuntansi, Keuangan dan Manajemen*, 2(3), 167-178. doi:<https://doi.org/10.35912/jakman.v2i3.214>
- Sari, D. A. M., & Djohar, C. (2022). Pengaruh Profitabilitas, Debt Covenant dan Mekanisme Bonus Terhadap Transfer pricing: Studi Empiris Pada Perusahaan Sektor Barang Baku di Bursa Efek Indonesia. *Yudishtira Journal : Indonesian Journal of Finance and Strategy Inside*, 2(2), 227-243. doi:<https://doi.org/10.53363/yud.v2i2.38>
- Schmidt, A. F., & Finan, C. (2018). Linear Regression and The Normality Assumption. *Journal of clinical epidemiology*, 98, 146-151. doi:<https://doi.org/10.1016/j.jclinepi.2017.12.006>
- Sebele-Mpofu, F., Mashiri, E., & Schwartz, S. C. (2021). An Exposition of Transfer Pricing Motives, Strategies and Their Implementation in Tax Avoidance by MNEs in Developing Countries. *Cogent Business & Management*, 8(1), 1944007. doi:<https://doi.org/10.1080/23311975.2021.1944007>

- Siregar, R., & Widyawati, D. (2016). Pengaruh Karakteristik Perusahaan Terhadap Penghindaran Pajak pada Perusahaan Manufaktur di BEI. *Jurnal Ilmu dan Riset Akuntansi (JIRA)*, 5(2). doi:<https://doi.org/10.35143/jakb.v17i1.6294>
- Sugiana, N. S. S., Purnamasari, I., & Purnomo, B. (2022). Rasio Free Float Saham; Sebagai Analisa Teknikal Dalam Pengambilan Keputusan Berinvestasi Studi Kasus Pada Saham Lq 45 Periode 2020-2022. *Eqien-Jurnal Ekonomi dan Bisnis*, 11(04), 532-537-532-537. doi:<https://doi.org/10.34308/eqien.v11i04.1268>
- Sugianto, D. (2019, January 15, 2026). Dituding Menghindari Bayar Pajak, Ini Penjelasan Adaro. Retrieved from <https://finance.detik.com/bursa-dan-valas/d-4611927/dituding-menghindari-bayar-pajak-ini-penjelasan-adaro>
- Suhartono, S., Herdianova, D. D., Yanti, V. A., Hakim, L., & Kuspriyono, T. (2022). The Effect Of Company Size And Taxes On Transfer Pricing. *Jurnal Riset Akuntansi*, 14(2), 199-210. doi:<https://doi.org/10.34010/jra.v14i2.6966>
- Sujana, I. K., Suardikha, I. M. S., & Saraswati, G. A. R. S. (2022). Tax, Bonus Mechanism, Tunneling Incentive, Debt Covenant and Transfer Pricing in Multinational Companies. *Matrik : Jurnal Manajemen, Strategi Bisnis, dan Kewirausahaan*, 2302-8890. doi:<https://doi.org/10.24843/MATRIK:JMBK.2022.v16.i01.p05>
- Tarmidi, D., Fadjaranie, A., & Oktris, L. (2023). Corporate Tax Policy: Impact Tunnelling Incentive, Debt Covenant, and Transfer Pricing. *Jurnal Akuntansi*, 27(1), 157-175. doi:<https://doi.org/10.24912/ja.v27i1.1249>
- Yustia, L., & Khomsiyah, K. (2024). Pengaruh Kepemilikan Asing, Direktur dan Komisaris Asing Terhadap Penghindaran Pajak dimoderasi oleh Profitabilitas. *Ekonomis: Journal of Economics and Business*, 8(1), 390-394. doi:<https://doi.org/10.33087/ekonomis.v8i1.1437>
- Zikri, F. N., & Winarningsih, S. (2024). Pengaruh Beban Pajak, Leverage, dan Profitabilitas Terhadap Keputusan Transfer Pricing Pada Perusahaan Sektor Pertambangan di Bursa Efek Indonesia. *Jurnal Penelitian Inovatif*, 4(3), 1265-1290. doi:<https://doi.org/10.54082/jupin.523>