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PROFITABILITY MODERATES THE EFFECT OF LEVERAGE, CAPITAL INTENSITY, AND COMPANY SIZE ON EFFECTIVE TAX RATES IN CONSUMER NON-CYCLICALS SECTOR COMPANIES LISTED ON THE INDONESIA STOCK EXCHANGE (IDX) FOR THE PERIOD 2019-2023

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Abstract
This study aims to analyze and describe empirically the effect of Leverage, Capital Intensity, and Company Size on Effective Tax Rates (ETR) with Profitability as a moderation variable. The population in this study is consumer non-cyclicals sector companies listed on the Indonesia Stock Exchange for the period 2019 – 2023. Sampling was carried out using the purposive sampling method and a final sample of 44 companies was obtained. The analysis method used is moderated regression analysis with the help of Eviews 12. The resultf of F test show that F-value of 2.602340 > 2.41 of the f-value of the table and the Prob(F-statistic) value of 0.000003 < 0.05, it can be concluded that this model is feasible to use. The results of hypothesis test this study show that leverage has a positive effect on effective tax rates, while capital intensity and company size do not show an effect on effective tax rates. In addition, profitability can moderate the effect of leverage on effective tax rates, but it cannot moderate the effect of capital intensity and company size on effective tax rates.

Keywords: Effective Tax Rate, Leverage, Capital Intensity, Company Size, Profitability

1. Introduction

As a developing country, Indonesia is obliged to provide facilities and infrastructure for public purposes, for example for tax revenue. Tax revenue is the largest source of funds in Indonesia, so the government must optimize these revenues properly. In its implementation, there are still obstacles such as many taxpayers who want to reduce rates or even avoid paying taxes. These obstacles arise due to the lack of ability of tax and fiscal authorities to carry out audits of taxpayers.

Tax management that is often carried out by entities is one way to minimize the value of effective tax rates with the aim of getting the maximum profit. Effective tax rates are the amount of tax rates that must be paid by the entity. Effective tax rates present the amount of tax burden that should beborne by taxpayers. This value can be calculated by dividing the income tax burden by the profit before tax. In other words, the higher the effective tax rate of an entity, the greater the tax burden paid, and vice versa.

The phenomenon of effective tax rates in Indonesia for companies in the consumer non-cyclicals sector can be seen in the graph below:

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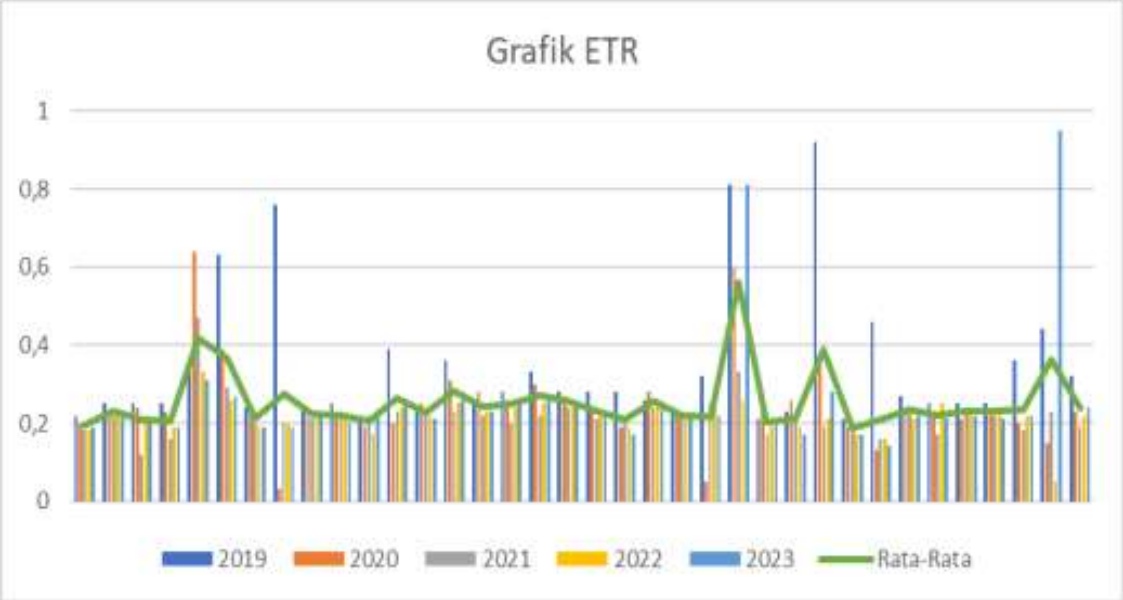

Figure 1. Average ETR development of the consumer non-cyclicals sector on the IDX for the 2019-2023 period
Source: Processed data, 2024

The graph above shows that companies in the consumer non-cyclicals sector in 2019-2023 on the Indonesian stock exchange have increased and decreased or experienced fluctuations in the calculation of effective tax rates. A company that has an ETR value between 0-1 means that the lower the ETR value is closer to 0, the more likely the company is to commit tax evasion. Likewise, the higher the ETR value is closer to 1, the less likely the company is to commit tax evasion (Rizki and Darsono, 2015:5). Based on the table above, it can be seen that in the consumer non-cyclicals sector, it is likely that many agencies avoid collecting tax rates. This can be seen from the ratio that tends to decrease or be low.

Leverage is a cost/burden that must be paid by a company to finance assets or investments made. Research on the factors that affect Effective Tax Rates (ETR) has been carried out by man researchers before, but it has yielded mixed findings. A study by Kumalasari & Wahyudin (2020) shows that leverage has no effect on ETR. In contrast, Rianto & M. Alfian (2022) found that leverage has a positive influence on ETR. Meanwhile, research by Suhartini et al. (2024) concluded that leverage has a negative effect on ETR.

Capital intensity is part of the investment activities carried out by entities in the form of fixed assets. The results of a study by Kumalasari & Wahyudin (2022), show that Capital Intensity has a positive effect on ETR. Research by Rianto & Alfian (2022), shows that Capital Intensity has no effect on ETR. Roifah's research (2015), shows that capital intensity has a negative effect on ETR.

The size of the company is used to measure the size of the company based on the valuation of the total assets it owns (Adnantara & Dewi, 2016). The results of the research on Company Size by Wastiti & Anwar (2023), said that company size has a positive effect on ETR. Meanwhile, Dalimunthe et al., (2023) said that company size has a negative effect on ETR. The results of the study by Suhartini et al., (2024), said that the Company Size has no effect on ETR.

Profitability reflects the company's ability to generate profits, so high profitability can be used by management to optimize the company's profits. A high level of profitability can also help reduce the tax burden, as companies that are more efficient and have high revenues tend to face lower tax burdens. Research by Rianto & Alfian (2022), shows that leverage moderated through profitability weakens the influence of leverage on so that it can be moderated. Research by Suhartini et al. (2024) shows that profitability strengthens the relationship between leverage and Effective Tax Rates (ETR) through moderation effects. Meanwhile, research by Rianto & Alfian (2022) found that profitability does not moderate the relationship between capital intensity and ETR, so it does not have a significant influence. The results of Roifah's research (2015), show that capital intensity moderated through profitability can be moderated. The results of Malau (2021), show that profitability significantly moderated the size of the company against ETR, while the results of Suhartini et al., (2024), show that profitability can't moderated the size of the company against ETR.

2. Theoretical Background

2.1 Agency Theory

According to Jensen and Meckling (1976), agency theory is a concept that explains the relationship between management as an agent and the owner as a principal. This study uses agency theory because it explains the difference in interests and asymmetry of information related to management as an agent and shareholders as principal. Management as an agent requires an increase in compensation while shareholders as principal expect large profits and minimize tax costs (Masri & Martani, 2012). The tax system in Indonesia uses a self-assessment system, which gives trust to entities to calculate and report their taxes independently. The implementation of this system certainly opens a gap for agents to manipulate taxable income, so that the tax that must be paid by the entity becomes lower (Nugraha & Meiranto, 2015).

2.2 Stakeholder Theories

Stakeholder theory reveals that entities not only operate for their own interests, but also benefit all stakeholders (Freeman et al., 1984) in (Wulandari et al., 2022). Stakeholder theory explains that the presence of an entity certainly requires stakeholders so that the entity must review the interests of stakeholders. Entities must adjust harder if stakeholders have strong influence (Rokhlinasari, 2016). Shareholders are one of the stakeholders that ensure the company's future sustainability through funding. The funding will be used by the management for investment activities of entities related to fixed assets. The greater the funding for fixed assets, the greater the capital intensity of an entity.

2.3 Effective Tax Rate

Effective tax rates (ETR) are the calculation between the taxes actually paid by an entity and the profit before tax (Lanis & Richardson, 2013). An ETR value that is close to zero indicates an effort to minimize taxes. The lower the ETR value of an entity, the higher the level of tax avoidance carried out.

2.4 Leverage

Leverage is a regulation carried out by an entity to meet the financial capabilities of an entity, either long-term or short-term. The leverage ratio describes the risks that an entity faces. The leverage ratio is calculated by comparing long-term debt to total assets (Al-Ahsan and Setiawan, 2016). According to Kasmir (2008), said that if an entity has a high ratio, it will affect the emergence of risks both losses and large profits.

Stakeholder theory argues that the existence of a company requires support from stakeholders, so the company must consider their interests. The greater the influence of stakeholders, the greater the need for the company to adjust to these interests. One of the influential stakeholders is shareholders, who have an important role in encouraging the company to achieve the maximum profit. One way is to minimize the tax burden paid by the entity. According to Rianto & Alfian (2020), which shows that leverage has a positive effect on effective tax rates. This shows that the increase in the tax rate is effective and conversely, if the debt decreases, the ETR decreases. Based on the explanation above, it is concluded that the higher the leverage, the more effective tax rates will also increase. This means that the leverage variable has a positive effect on the ETR.

H1: Leverageohas a positiveoeffect on EffectiveoTax rates

2.5 Capital Intensity

Capital intensity is an entity's capital activity related to investment activities in the form of fixed assets (Ambarukmi & Diana, 2017). Entities can utilize unused funds by investing them in fixed assets, as fixed assets are one of the largest forms of capital for entities. Stakeholder theory argues that the existence of a company requires support from stakeholders, which encourages companies to consider their interests. Investors are one of the stakeholders who play a role in supporting the company's funding, especially in investment transaction activities related to fixed assets, which is one of the largest capital in the company. The larger the funds allocated for fixed assets, the greater the intensity of capital owned by the entity.

Entities that have fixed assets are likely to pay a low tax burden (Rodriguez & Arias, 2012). A good intensity ratio indicates a high capital intensity which means that the asset management of the entity is getting better. According to Hakim & Daljono (2023), ETR is negatively affected by Capital Intensity. Based on the explanation above, it can be concluded that the higher the capital intensity of the entity, the lower the ETR of the entity, which means that the capital intensity variable has a negative influence on the ETR.

H2: Capital Intensity has a negative effect on Effective Tax rates

2.6 Company Size

Agency theory says that the company's resources can be used by managers to minimize tax costs and maximize company performance (Imelia, 2015). Assets as a tool for measuring this variable because total assets are a measurement that is usually more stable than other measurements that measure the size of a company. According to Rahmawati and Hakim (2018), company size is a scale used to determine the size or size of an entity, which can be measured by several methods, including total assets, log size, total sales, stock market value, and others. In addition, the size of the company can also be determined by the log of total assets (Perry and Rimbey, 2016). The log of total assets is useful to minimize the difference between the size of a company that is too small or too large, then the total value of assets will be made into a natural logarithm to make the total asset data distributed normally. A large income can make companies more efficient in managing and paying taxes. Large companies tend to run wider operations and attract investors to invest, so the company's revenue can increase. According to Wastiti & Anwar (2023), ETR is positively influenced by the size of the company. Based on the explanation above, it can be concluded that the Company Size has a positive effect on ETR.

H3: Company size has a positive effect on Effective Tax rates

2.7 Profitability

In this study, profitability is used as a moderated variable. Profitability indicates the extent to which an entity can generate profits from its operational activities in a given period of time. Profitability is measured using ROA (Return on Assets), which is a ratio to assess an entity's performance in generating profits hrough asset management. According to (Ariani and Hasymi, 2018), in his research it was explained that ROA can be calculated by the formula of profit after tax divided by total assets.

Agency Theory argues that managers as agents expect increased compensation, while investors as principals expect large profits and minimal taxes. Management that has the right to determine decisions over the entity will estimate funds derived from debt as a form of management action with interest debt. A high level of profitability will result in management that always pays attention to the needs of the company. A very high level of profitability will result in management always paying attention to the needs of the company. Leverage levels that high leverage levels inhibit management's goals to obtain high levels of compensation. As a result, management will use high levels of profitability to hinder management's goals of obtaining high levels of compensation. As a result, management will use high levels of profitability for most of its profits. used to increase tax intensity and lower taxes affecting low ETR. High profitability will have a low tax burden because high revenue entities can be used to increase tax intensity and lower taxes which impacts low ETR. According to Kumalasari & Wahyudin (2020), profitability can moderate the effect of leverage on ETR. Kumalasari & Wahyudin (2020), profitability can moderate the impact of leverage on ETR. Based on the explanation above, it can be seen that profitability moderates the impact of leverage on ETR.In the explanation above, it can be seen that profitability moderates the influence of leverage on ETR. Based on the explanation above, it can be concluded that Profitability moderates the influence of Leverage on ETR. *H4: Profitability moderates the effect of Leverage on Effective Tax Rates*

Stakeholder theory assumes that the existence of a company certainly needs support from stakeholders that help businesses understand the importance of stakeholders. Investors are one of the stakeholders who will contribute to the company's progress in investment transactions related to tangible assets which are also the largest capital in a particular company. Profitability can be used to show how an entity's operations generate profits and reduce its ability to manage assets. The higher the profitability level, the greater the incentive for the entity to invest using profits through fixed assets. In addition, the high level of profitability also indicates that the management of the entity's assets is getting better. If profitability is higher, the asset management of a company will be better and can be considered for investment decisions in the company. The larger the funds related to fixed assets, the greater the capital intensity of the entity. Fixed assets of large entities will tend to have a low tax burden. According to Kumalasari & Wahyudin (2020), Profitability is able to moderate Capital Intensity against ETR. Based on the explanation above, it can be concluded that Profitability moderates the influence of Capital intensity on ETR. *H5: Profitability moderates the influence of Capital Intensity on Effective Tax Rates*

Agency theory says that the company's resources can be used by managers to minimize tax costs and maximize company performance (Imelia, 2015). Assets as a tool for measuring this variable because total assets are a measurement that is usually more stable than other measurements that measure the size of a company. Company size is related to the level of stability of the company in the face of uncertainty risks. Companies with

stable conditions will have more freedom in managing capital. Large, stable companies with high levels of profitability will use long-term funding derived from debt. To get the expected level of profitability, companies must be effective in the costs that must be paid, including the tax burden. The larger the company is supported by favorable company conditions, the greater the company's ability to plan taxes and minimize taxes as reflected in the low effective tax rate. According to Malau (2021), Profitability is able to moderate the Company Size to ETR. Based on the explanation above, it can be concluded that Profitability strengthens the influence of company size on ETR. *H6: Profitability can moderate the influence of Company Size on Effective Tax Rates*

3. Methods

The data Analysis methods used in this study are descriptive statistical analysis and panel data regression analysis and moderated regression analysis (MRA). According to Ghozali and Ratmono (2017), panel data regression analysis is the aggregation of data that monitors the behavior of cross-sectional units (such as individuals, firms, or countries) over a period of time. This study uses a quantitative approach. Analysis data conducted using the Microsoft Office Excel and E-views 12. In this study, the data used is secondary data in the form of reports on the consumer non-cyclicals sector listed on the IDX for the period 2019-2023.

3.1 Sample Criteria

The samples used in this study are explained in the table below:

Table 1. Company Sample Criteria

No	Sample Criteria	Sum
1	Company Population	125
2	Companies there are not listed on the IDX in the consumer non-cyclicals sector in 2019-2023.	(31)
3	Companies don't publish complete financial statements for the consumer non-cyclicals sector for 2019-2023.	(5)
4	Companies that earned losses (before tax) and losses (current year) in the consumer non-cyclicals sector in 2019-2023.	(45)
	Company Sample	44
	Research period	5
	Amount of data used	220

3.2 Measurement Variable

1) Effective Tax Rates

$$ETR = \frac{\text{Tax Expense}}{\text{Earning Before Tax}}$$

2) Leverage

$$DAR = \frac{\text{Total Liability}}{\text{Total Asset}}$$

3) Capital Intensity

$$CI = \frac{\text{Total Fixed Asset}}{\text{Total Asset}}$$

4) Company Size

$$\text{Size} = \text{LN (Total Asset)}$$

5) Profitability

$$\text{ROA} = \frac{\text{Earning Before Tax}}{\text{Total Assets}}$$

4. Results and Discussion

4.1 Descriptive Analysis

Table 3. Results descriptive analysis

	ETR	DAR	CI	SIZE	DAR_ROA	CI_ROA	SIZE_ROA
Mean	0.250955	0.416818	0.298909	29.44286	0.049545	0.040091	3.749818
Median	0.230000	0.410000	0.290000	29.46000	0.040000	0.030000	3.115000
Maximum	0.950000	0.830000	0.760000	32.86000	0.360000	0.300000	16.11000
Minimum	0.030000	0.090000	0.010000	25.28000	0.000000	0.000000	0.080000
Std. Dev.	0.115969	0.198533	0.154041	1.487358	0.055934	0.045511	2.732969
Observations	220	220	220	220	220	220	220

Source: Processed data from e-views 12, 2024

According to the table above, the study collected 220 observations from 44 companies from 2019 to 2023.

1) The Y variable (Effective Tax Rates) has the lowest value of 0.030000 and the highest value of 0.950000. The Y (Effective Tax Rates) variable means 0.250955 with a standard deviation of 0.115969.
2) Variable X1 (Leverage) has the lowest value of 0.090000 and the highest value of 0.830000. average X1 (Leverage), mean of 0.416818 with a standard deviation of 198533.
3) Variable X2 (Capital Intensity) has the lowest value of 0.010000 and the highest value of 0.760000. Variable X2 (Capital Intensity) mean value 0.298909 with a standard deviation of 0.154041 during observation.
4) Company Size (X3) has a low value of 25.28000 and a high value of 32.86000. Variation X3 (Company size) mean value (mean) 29.44286 with a standard deviation of 1.487358.

4.2 Panel Data Regression Estimation

Table 4 Panel Data Model

Method	Testing	Result
Chow Test	CEM vs FEM	FEM
Uji Hausman	FEM vs REM	FEM
LM Test	CEM vs REM	CEM

From the table above, it can be seen that the best model used to test the hypothesis is FEM. Because the selected model is FEM, it will be carried out multicollinearity test and heteroscedasticity test.

4.3 Multicollinearity Test

Table 8. Multicollinearity Test Results

	DAR	CI	SIZE	DAR_ROA	CI_ROA	SIZE_ROA
DAR	1.000000	0.050594	0.271876	0.323212	0.008479	-0.184923
CI	0.050594	1.000000	0.014108	0.227510	0.559971	0.118384
SIZE	0.271876	0.014108	1.000000	0.061438	-0.130983	-0.135903
DAR_ROA	0.323212	0.227510	0.061438	1.000000	0.817982	0.805479
CI_ROA	0.008479	0.559971	-0.130983	0.817982	1.000000	0.823115
SIZE_ROA	-0.184923	0.118384	-0.135903	0.805479	0.823115	1.000000

Source: Processed data from e-views 12, 2024

Based on the results of the above test, there are no independent variables that have a < value of 0.85, so it can be concluded that they are free from multicollinearity or pass the multicollinearity test (Napitupulu et al., 2021: 141).

4.4 Heteroscedasticity Test

Table 9. Heteroscedasticity Test Results

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-0.204873	0.719850	-0.284604	0.7763
DAR	0.083206	0.087863	0.946998	0.3450
CI	0.062339	0.107476	0.580027	0.5627
SIZE	0.007436	0.023777	0.312741	0.7549
DAR_ROA	-0.520574	0.447932	-1.162171	0.2468
CI_ROA	0.162640	0.489299	0.332394	0.7400
SIZE_ROA	-0.000126	0.007560	-0.016621	0.9868

Source: Processed data from e-views 12, 2024

From the test above, it can be seen that the prob value > 0.05. Therefore, there are no symptoms of heteroscedasticity or passing the heteroscedasticity test.

4.5 R2 Test

Table 10. R2 Test Results

R-squared	0.428600	Mean dependent var	0.250955
Adjusted R-squared	0.263902	S.D. dependent var	0.115969

Source: Processed data from e-views 12, 2024

R-Squared is 0.428600 or 43% so it can be concluded that if the independent variable accounts for 43% of the variation in effective tax rates with 43% because other variables are not covered in this study.

4.6 F Test

Table 11. F Test Results

F-statistic	2.602340	Durbin-Watson stat	2.060242
Prob(F-statistic)	0.000003		

Source: Processed data from e-views 12, 2024

By considering the F-statistic of 2.602340 > 2.41 of the f-table and the Prob(F-statistic) value of 0.000003 < 0.05, it can be concluded that this model is feasible to use and the independent variable has the same effect on the independent variable.

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4.7 Hypothesis Test

Table 12. Hypothesis Test Results

Dependent Variable: ETR Method: Panel Least Squares Date: 10/14/24 Time: 14:09 Sample: 2019 2023

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.517918	1.307513	0.396109	0.6925
DAR	0.387476	0.159591	2.427929	0.0162
CI	0.059675	0.195217	0.305688	0.7602
SIZE	-0.013447	0.043188	-0.311365	0.7559
DAR_ROA	-1.973353	0.813609	-2.425431	0.0163
CI_ROA	1.450230	0.888746	1.631771	0.1046
SIZE_ROA	-0.002860	0.013731	-0.208253	0.8353

Sourced: Processed data from e-views 12, 2024

The hypothesis test can be understood from the following table:

1) Results of the 1st Hypothesis Test (H1)
   The Leverage (X1) variable resulted in the T-statistic of (2.427929) > (1.652) of the T-table and a value of 0.0162 < 0.05, indicating that H1 was accepted, meaning that leverage has a positive effect on effective tax rates. This means that the higher the leverage, the greater the chance of effective tax rates. This is in accordance with previous research conducted by Rianto & Alfian (2022), while this contrary to previous research conducted by Kumalasari & Wahyudin (2020), Leverage has no effect on ETR. This research showed that leverage has a positive effect on effective tax rates. This is in accordance with the agency theory because management as an agent has the power to make decisions for the benefit of funding entities derived from liabilities with the aim of minimizing the tax burden so that the profits obtained are greater. Burden so that the profits obtained are greater.
2) Results of the 2nd Hypothesis Test (H2)
   The T test against the Capital intensity variable (X2) yielded the T-statistic of (0.305688) < (1.652) of the T-table and sig. The value of 0.7602 > 0.05 indicates that H2 is rejected, meaning that the capital intensity variable has no effect on effective tax rates. This means that large of capital intensity in a company is not able to control ETR. This is in accordance with previous research conducted by Rianto & Alfian (2022), while this is contrary to previous research conducted by Hakim & Daljono (2023), ETR is negatively affected by Capital Intensity. The results of this study are not in accordance with the stakeholder theory which states that the presence of entities certainly requires stakeholders so that entities must review the interests of stakeholders.
3) Results of the 3rd Hypothesis Test (H3)
   The T test on the Company Size variable (X3) produced the T-statistic of (-0.311365) < (1.652) of the T-table and the sig. value of 0.7559 > 0.05 showed that H3 was rejected, meaning that the company size variable had no effect on the effective tax rates. The size of company is not an indicator that can influence the reduction in ETR. This is in accordance with previous research conducted by Suhartini et al., (2024), while this is in contrast to previous research conducted by Wastiti & Anwar (2023), ETR is positively influenced by company size. This research is also not in line with agency theory. A large income is not necessarily able to manage and pay taxes well.
4) Results of the 4th Hypothesis Test (H4)

The T test against the Z variable moderates X1, or Profitability moderates leverage effect on effective tax rates resulting in the T-statistic of (-2.425431) > of the T-table (1.652) and a value of 0.0163 < 0.05, indicating that H4 is accepted, meaning that the profitability can moderate the leverage on ETR. This condition is caused by companies that have a ability to generate greater profit, so the company is not worried about the risk it will experience. This is in line with research conducted by Suhartini et al., (2024), Profitability can strengthen between Leverage and ETR, while this is in contrast to previous research conducted by Rianto & Alfian (2022), Profitability weakens between Leverage and ETR. This research is also in accordance with stakeholder theory because the increase in company profitability is caused by increasing the company's capacity with funding sources, one of which is through fixed assets.

5) Results of the 5th Hypothesis Test (H5)
The T test against the Z variable moderates X2, or Profitability moderates capital intensity effect on effective tax rates resulting in the T-statistic of (1.631771) < of the T-table (1.652) and sig. values of 0.1046 > 0.05 indicating that H5 is rejected, meaning that the profitability cannot to moderate capital intensity on ETR. This condition is causing the amount of capital intensity in a company when it produces high profitability, there is no opportunity for ETR. This is not in accordance with the agency theory which assumes that the depreciation of fixed assets can be used by companies/managers to reduce the tax burden. This is in line with research conducted Rianto & Alfian (2022), Profitability can't moderate between Capital Intensity and ETR, while this research is also not in line with previous research conducted by Kumalasari & Wahyudin (2020), which showed that profitability can moderate the effect of capital intensity on ETR.
6) Results of the 6th Hypothesis Test (H6)
T test against variable Z moderates X3, or profitability moderates the size of the company effect on effective tax rates produce the T-statistic of (-0.208253) < of the T-table (1.652) and a value of sig. 0.8353 > 0.05, indicating that H6 was rejected, meaning that the profitability cannot moderate the size of the company on ETR. This research can't utilize the company's large resource as an opportunity to carry out planning in an effort to achieve ETR. This is in line with research conducted Suhartini et al., (2024), Profitability can't moderate the effect of Company Size on ETR, while this is not in accordance with previous research conducted by Malau (2021), Profitability can moderate between Company Size and ETR. The results of the 6th hypothesis are also contrary to the theory agency that the larger the size of the company, the greater the company's ability to plan taxes and minimize taxes which is reflected in the low effective tax rate.

4.8 Panel Data Regression Equation

Table 13. Panel Data Regression Equations

$$ETR = 0.517917754455 + 0.38747613096*DAR + 0.059675338763*CI - 0.0134470988451*SIZE - 1.97335305325*DAR\_ROA + 1.45022952399*CI\_ROA - 0.00285961929604*SIZE\_ROA + [CX=F]$$

The following is an explanation of the regression equation of panel data:

1) The constant value of 0.517917754455 means that if the independent variable goes up by one, the dependent variable also goes up by 0.517917754455.
2) The Variable Regression Coefficient X1 Leverage is (+) 0.38747613096, meaning

that if X1 increases, the Y Effective tax rates also increase by 0.38747613096.

3) The Variable Regression Coefficient X2 Capital Intensity is (+) 0.059675338763, meaning that if X2 increases, the Y Effective tax rate also increases by 0.059675338763.
4) The X3 Company Size variable has a value of (-) 0.0134470988451, which means that if the X3 variable increases, the Y effective tax rates variable will decrease by 0.0134470988451, and vice versa.
5) Variable Z moderates X1 Profitability moderates Leverage value (-) 1.97335305325, which means that if variable Z moderates X1 increases, variable Y Effective tax rates will decrease by 1.97335305325, and vice versa.
6) Profitability moderates Capital Intensity with a value of (+) 1.45022952399, which means that if the Z variable moderates X2 increases, the Y variable Effective tax rates will increase by 1.45022952399, and vice versa.
7) Profitability moderates the size of the company with a value of (-) 0.00285961929604, which means that if the Z variable moderates X3 increases, the Y variable Effective tax rates will decrease by 0.00285961929604, and vice versa.

5. Conclusion

From the research conducted, it can be concluded that:

1) Leverage does positively affect on ETR in the consumer non-cyclicals sector listed on the Indonesia Stock Exchange for the period 2019-2023.
2) The capital intensity does not affect on ETR in the consumer non-cyclicals sector listed on the Indonesia Stock Exchange for the period 2019-2023.
3) The company size does not affect on ETR in the consumer non- cyclicals sector listed on the Indonesia Stock Exchange for the period 2019-2023.
4) The profitability can moderate the effect leverage on effective tax rates in the consumer non-cyclicals sector listed on the Indonesia Stock Exchange for the period 2019-2023.
5) The profitability can't moderate the effect capital intensity on effective tax rates in the consumer non-cyclicals sector listed on the Indonesia Stock Exchange for the period 2019-2023.
6) The profitability can't moderate the effect company size on effective tax rates in the consumer non-cyclicals sector listed on the Indonesia Stock Exchange for the period 2019-2023.

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